colleagues will be on the floor voting on a bill that will rectify that situation. We should not have to wait through another election. We should not have to wait for any other development. We know the facts. We know the people are going to Canada. We know the people are making these tough choices. We know heartfelt letters such as these are written, pleading for the Congress to respond. The only thing we do not know is how long it will take for the Congress to do what it needs to do; that is, to respond effectively with a comprehensive approach to universal access to good prescription drug coverage with cost containment as part of that coverage. That will happen someday as a result of the leadership shown and the extraordinary persistence of the Senator from Michigan.

I thank the Senator again for that effort.

Ms. STABENOW. I am deeply grateful for the comments of the Senate majority leader. His leadership, truly, on so many issues, particularly this issue, touches the lives of so many people every day. I am very grateful to the majority leader for that leadership.

We are focusing on bringing bills to the floor so we can solve the problems addressing what Mrs. Askin from Romulus, MI, has written about. We cannot say: We will wait another year: Mrs. Askin, why don't you wait on medications that you need, wait until next year or the year after or the year after?

This is not like buying a new car or a new pair of tennis shoes or are you going to wait on buying a piece of clothing. This is lifesaving medicine. There has to be a sense of urgency.

Health care has changed. Most of the time we are not admitted into the hospital. Thankfully, medication will allow people to avoid open-heart surgery or allow them to live with dignity at home or allow parents to care for children who are chronically ill or disabled, that allow them to live longer. We welcome these new innovations. It is wonderful.

I am proud that in this country we are in a partnership with investments from all taxpayers to the National Institutes of Health, utilizing the American ingenuity of the companies that go to work. It is wonderful.

Unfortunately, the end result is not wonderful. At the end of this process, the very people who help invest in the process cannot afford these lifesaving medications. Something is wrong. When we get to the end of the process and the health care system we have set up for older Americans who use the majority of medications, or those who are disabled who use the majority of medications, does not recognize these new lifesaving drugs incorporated in part of the health care system called Medicare, there is something wrong.

When we are creating these medications and they are sold to every other country in the world at half the price they are sold to us, there is something wrong.

When we see today these lifesaving medications are treated like any other product and twice as much or 2½ times more is spent on advertising than the research, and we, as taxpayers, pay for that through tax writeoffs, something is wrong. More was spent on Vioxx last year for advertisement than spent by Budweiser on beer, Coca-Cola on Coke, Pepsi-Cola on Pepsi. There is something wrong. It is fine to advertise and promote, but when the companies drive the prices beyond our ability to be able to afford the medications, when this advertising and promotion and sales going on in doctors' offices all over the country each day create a situation where a small business has to drop their insurance for their employees because they cannot afford the premium, it has gone too far.

When manufacturers have to stop providing health care for retirees or lay off people because of rising health care costs, most of which is the cost of their prescription drugs, it has gone too far. I could go on and on with examples of what has been happening.

Right now one of the largest costs, one of the costs driving every part of our economy, is the explosion in the pricing of prescription drugs. We can do better than that. We can open the border to competition for Canada. We can limit the amount we are willing to subsidize in those explosive advertising costs. We can support States in innovative ways. They are looking for ways to bring down prices for their own citizens such as in the State of Maine and the innovations they have incorporated, making sure when patents run out and it is time for the generic, the same formula can be sold without the brand name at pennies on a dollar. Those generic laws work, and we are, in fact, doing that. We have a plan that works. It is now time to put it into action.

In closing, I say to Mrs. Askin that people do care. We are working very hard to get it right. We are working hard so citizens will not have to decide every morning what bill to pay, what food they can afford, or whether or not they can afford their medicine. It is time to get it right. I will work very hard until we get it right so you can know that you can benefit from the wonderful new medications that have been placed on the market to save lives, to extend life, so you can also enjoy all the other wonderful parts of your life without worrying about whether you can afford your medicine.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Ms. STABENOW. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HOLLINGS. Madam President, I ask unanimous consent the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is now closed.

ANDEAN TRADE PREFERENCE EXPANSION ACT

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of H.R. 3009, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3009) to extend the Andean Trade Preference Act, to grant additional trade benefits under that Act, and for other purposes.

Pending:

Baucus/Grassley amendment No. 3401, in the nature of a substitute.

Reid (for Byrd) amendment No. 3447 (to amendment No. 3401), to amend the provisions relating to the Congressional Oversight Group.

Reid (for Byrd) amendment No. 3448 (to amendment No. 3401), to clarify the procedures for procedural disapproval resolutions.

Reid (for Byrd) amendment No. 3449 (to amendment No. 3401), to clarify the procedures for extension disapproval resolutions.

Reid (for Byrd) amendment No. 3450 (to amendment No. 3401), to limit the application of trade authorities procedures to a single agreement resulting from DOHA.

Reid (for Byrd) amendment No. 3451 (to amendment No. 3401), to address disclosures by publicly traded companies of relationships with certain countries or foreign-owned corporations.

Reid (for Byrd) amendment No. 3452 (to amendment No. 3401), to facilitate the opening of energy markets and promote the exportation of clean energy technologies.

Reid (for Byrd) amendment No. 3453 (to amendment No. 3401), to require that certification of compliance with section 307 of the Tariff Act of 1930 be provided with respect to certain goods imported into the United States.

Reid (for Durbin) amendment No. 3458 (to amendment No. 3401), to establish and implement a steel import notification and monitoring program.

Reid (for Harkin) amendment No. 3459 (to amendment No. 3401), to include the prevention of the worst forms of child labor as one of the principal negotiating objectives of the United States.

Reid (for Corzine) amendment No. 3461 (to amendment No. 3401), to help ensure that trade agreements protect national security, social security, and other significant public services.

Reid (for Corzine) amendment No. 3462 (to amendment No. 3401), to strike the section dealing with border search authority for certain contraband in outbound mail.

Reid (for Hollings) amendment No. 3463 (to amendment No. 3401), to provide for the certification of textile and apparel workers who lose their jobs or who have lost their jobs since the start of 1999 as eligible individuals for purposes of trade adjustment assistance and health insurance benefits, and to amend the Internal Revenue Code of 1986 to prevent corporate expatriation to avoid United States income tax.

Reid (for Hollings) amendment No. 3464 (to amendment No. 3401), to ensure that ISAC committees are representative of the producing sectors of the United States Economy.

Reid (for Hollings) amendment No. 3465 (to amendment No. 3401), to provide that the benefits provided under any preferential tariff program, excluding the North American Free Trade Agreement, shall not apply to any product of a country that fails to comply within 30 days with a United States Government request for the extradition of an individual for trial in the United States if that individual has been indicted by a Federal grand jury for a crime involving a violation of the Controlled Substances Act.

Reid (for Landrieu) amendment No. 3470 (to amendment No. 3401), to provide trade adjustment assistance benefits to certain maritime workers.

Reid (for Jeffords) amendment No. 3521 (to amendment No. 3401), to authorize appropriations for certain staff of the United States Customs Service.

Wellstone amendment No. 3467 (to amendment No. 3401), to protect human rights and democracy.

Reid (for Hollings) amendment No. 3527 (to amendment No. 3447), to provide for the certification of textile and apparel workers who lose their jobs or who have lost their jobs since the start of 1999 as eligible individuals for purposes of trade adjustment assistance and health insurance benefits.

AMENDMENT NO. 3527

Mr. HOLLINGS. Madam President, I am indebted to the leadership for, last evening, late in the hour, having called up my amendment in the second degree, I think, to the Byrd amendment.

What is the pending question before the Senate?

The PRESIDING OFFICER. The Senator is correct. It is his second-degree amendment.

Mr. HOLLINGS. I thank the distinguished Chair.

Madam President, I am still smiling because I was coming onto the elevator with some books, and the elevator operator said: My Lord, are you going to preach?

I wish I had the talent to preach on this particular score because the real problem confronting our country is economic strength. There is no question in my mind that fast track is about the worst thing that we could possibly adopt. I have yet had the time to really get into a debate. I would not preach, but I would be delighted to get into a debate with respect to, actually, the need for a competitive trade policy, for the rebuilding of our economic strength, and the rebuilding of our manufacturing capacity.

Somehow or other we have lost sight of the greatness of America. We think it is the 6th Fleet and the atom bomb. They do not count anymore in the halls of international and global relations and foreign diplomacy. What counts now is economic strength, that is the real battle and war we are in.

They say: You are going to start a war. We have been in a very viable, competitive, reciprocal free trade, competitive free trade of which Cordell Hull spoke.

What comes to mind, I was at a conference up in Chicago some years ago with Akio Morita, the chairman of the board of Sony. He was speaking about the Third World, the emerging nations. This is some years back. He was counseling the Third World countries that they had to develop a strong manufacturing sector in order to become a nation-state. He was talking along, and then he pointed at me, and then he said:

> By the way, Senator, the world power that loses its manufacturing capacity will cease to be a world power.

That is what is on my mind this morning. It is not just manufacturing but, of course, our financial dilemma. There is no question in my mind that we have developed, not a tax-and-spend, but a borrow-and-spend society.

I ask unanimous consent that the debt to the penny be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE DEBT TO THE PENNY

	Amount
Current: 5/21/2002	$6,019,261,264,823.37
Current Month:	
5/20/2002	6,019,304,226,577.31
5/17/2002	6,019,432,256,973.92
5/16/2002	6,019,475,513,420.98
5/15/2002	6,016,580,911,847.58
5/14/2002	5,990,414,639,076.97
5/13/2002	5,989,198,647,537.89
5/10/2002	5,988,911,662,755.21
5/09/2002	5,978,218,818,210.58
5/08/2002	5,973,205,194,045.55
5/07/2002	5,973,527,635,269.29
5/06/2002	5,969,691,431,266.78
5/03/2002	5,966,885,188,391.86
5/02/2002	5,979,288,646,755.03
5/01/2002	5,974,320,868,797.23
Prior Months:	
4/30/2002	5,984,677,357,213.86
3/29/2002	6,006,031,606,265.38
2/28/2002	6,003,453,016,583.85
1/31/2002	5,937,228,743,476.27
12/31/2001	5,943,438,563,436.13
11/30/2001	5,888,896,887,571.34
10/31/2001	5,815,983,290,402.24
Prior Fiscal Years:	
9/28/2001	5,807,463,412,200.06
9/29/2000	5,674,178,209,886.86
9/30/1999	5,656,270,901,615.43
9/30/1998	5,526,193,008,897.62
9/30/1997	5,413,146,011,397.34
9/30/1996	5,224,810,939,135.73
9/29/1995	4,973,982,900,709.39
9/30/1994	4,692,749,910,013.32
9/30/1993	4,411,488,883,139.38
9/30/1992	4,064,620,655,521.66
9/30/1991	3,665,303,351,697.03
9/28/1990	3,233,313,451,777.25
9/29/1989	2,857,430,960,187.32
9/30/1988	2,602,337,712,041.16
9/30/1987	2,350,276,890,953.00

Source: Bureau of the Public Debt.

THE DEBT TO THE PENNY AND WHO HOLDS IT BEGINNING JANUARY 31, 2001

	Debt held by the public	Intragovernmental holdings	Total
Current: 5/21/2002	$3,436,649,451,216.50	$2,582,611,813,606.87	$6,019,261,264,823
Current Month:			
5/20/2002	3,438,251,573,271.40	2,581,052,653,305.91	6,019,304,226,577
5/17/2002	3,439,271,479,603.89	2,580,160,777,370.03	6,019,432,256,973
5/16/2002	3,442,068,572,294.49	2,577,406,941,126.49	6,019,475,513,420
5/15/2002	3,439,523,397,954.34	2,577,057,513,893.24	6,016,580,911,847
5/14/2002	3,416,285,823,486.91	2,574,128,815,590.06	5,990,414,639,076
5/13/2002	3,415,564,600,264.24	2,573,634,047,273.65	5,989,198,647,537
5/10/2002	3,415,522,879,129.47	2,573,388,783,625.74	5,988,911,662,755
5/09/2002	3,403,885,470,082.53	2,574,333,348,128.05	5,978,218,818,210
5/08/2002	3,397,455,347,494.59	2,575,749,846,550.96	5,973,205,194,045
5/07/2002	3,396,968,024,725.81	2,576,559,610,543.48	5,973,527,635,269
5/06/2002	3,396,126,515,846.99	2,573,564,915,419.79	5,969,691,431,266
5/03/2002	3,395,972,512,085.24	2,570,912,676,306.62	5,966,885,188,391
5/02/2002	3,395,802,045,107.50	2,583,486,601,647.53	5,979,288,646,755
5/01/2002	3,400,773,341,390.14	2,573,547,527,407.09	5,974,320,868,797
Prior Months:			
4/30/2002	3,402,336,886,067.70	2,582,340,471,146.16	5,984,677,357,213
3/29/2002	3,444,137,028,277.33	2,561,894,577,988.05	6,006,031,606,265
2/28/2002	3,442,243,757,040.41	2,561,209,259,543.44	6,003,453,016,583
1/31/2002	3,378,924,426,706.66	2,558,304,316,769.61	5,937,228,743,476
12/31/2001	3,394,398,958,213.60	2,549,039,605,222.53	5,943,438,563,436
11/30/2001	3,404,026,838,038.17	2,484,870,049,533.17	5,888,896,887,571
10/31/2001	3,333,039,379,996.92	2,482,943,910,405.32	5,815,983,290,402
Prior Fiscal Years: 9/28/2001	3,339,310,176,094.74	2,468,153,236,105.32	5,807,463,412,200

THE DEBT TO THE PENNY AND WHO HOLDS IT THROUGH JANUARY 30, 2001

	Debt held by the public	Intragovernmental holdings	Total
Prior Months:			
1/30/2001	$3,369,903,111,703.32	$2,370,388,014,843.13	$5,740,291,126,546
12/29/2000	3,380,398,279,538.38	2,281,817,734,158.99	5,662,216,013,697
11/30/2000	3,417,401,544,006.82	2,292,297,737,420.18	5,709,699,281,427
10/31/2000	3,374,976,727,197.79	2,282,350,804,469.35	5,657,327,531,667
Prior Fiscal Years:			
9/29/2000	3,405,303,490,221.20	2,268,874,719,665.66	5,674,178,209,886
9/30/1999	3,636,104,594,501.81	2,020,166,307,131.62	5,656,270,901,633
9/30/1998	3,733,864,472,163.53	1,792,328,536,734.09	5,526,193,008,897
9/30/1997	3,789,667,546,849.60	1,623,478,464,547.74	5,413,146,011,397

Mr. HOLLINGS. Madam President, they have talked about surpluses, surpluses, surpluses. You will find in Time magazine this week, up on the right-hand side—I don't have my copy—where the deficit for 2001 was in excess of $500 billion. Let me repeat that. Look in Time magazine. We were talking about surpluses when we were cutting taxes last year. Time magazine alone reported, rather than a surplus we were running these horrendous deficits.

Of course, the fiscal year has just begun. We have yet to distribute a lot of the emergency money. For example, I have been trying like the dickens to get the rail security money to start working on the tunnels going into New York. The money has been appropriated and voted during the emergency, but we are not really serious. We are not really serious about the so-called terrorism war. Here we are already running a $212 billion deficit and the increase to the debt already this fiscal year was right at almost $100 billion spent from Social Security trust funds. They are talking about how we could get into it, but this record that I am introducing is very significant because of what I pointed out.

Let me have printed in the RECORD an article by Paul Krugman, ''The Great Evasion; Where Have All The Taxes Gone?'' I ask unanimous consent it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the NY Times, May 14, 2002]

THE GREAT EVASION

WHERE HAVE ALL THE TAXES GONE?

(By Paul Krugman)

Last week Stanley Works, a Connecticut tool company, postponed its plan to evade taxes by incorporating itself in Bermuda. The decision reflected pressure from the White House, which denounced the move as unpatriotic in a time of national emergency.

I am, of course, making that last part up. The shareholders' vote approving Stanley's move was challenged by Connecticut officials; also, the company has been put in the spotlight by David Cay Johnson, The New York Times's invaluable tax reporter. But the Bush administration, always quick to question the patriotism of anyone who gets in its way, has said nothing at all about Stanley Works, and little about the growing number of U.S. corporations declaring themselves foreign for tax purposes.

To be fair, the administration didn't create the loophole Stanley wants to exploit. And it's not enough just to denounce corporations that exploit tax loopholes; the real answer is to deny them the opportunity. Still, the administration's silence is peculiar. What's going on?

The closest we have to an official statement on the issue of companies moving offshore comes from the Treasury Department's chief of tax enforcement: ''We may need to rethink some of our international tax rules that were written 30 years ago when our economy was very different and that now may be impeding the ability of U.S. companies to compete internationally.''

Unfortunately, that statement misrepresents the issue. For one thing, U.S. companies don't necessarily pay higher taxes than their foreign counterparts; Germany's corporate tax rate is significantly higher than ours, France's rate is about the same, and Britian's is only marginally lower. Anyway, the Treasury statement makes it sound as if we're losing revenue because U.S.-based companies are moving their headquarters to lower-cost locations, or because they are losing market share to foreign rivals. Neither proposition is true. In fact, we're losing revenue because profitable U.S. companies are using fancy footwork to avoid paying taxes.

By incorporating itself in Bermuda, a U.S.-based corporation can—without moving its headquarters or anything else—shelter its overseas profits from taxation. Better yet, the company can then establish ''legal residence'' in a low-tax jurisdiction like Barbados, and arrange things so that its U.S. operations are mysteriously unprofitable, while the mail drop in Barbados earns money hand over fist. In other words, this isn't about competition; it's about tax evasion.

The natural answer would seem to be to crack down on the evaders—to find a way to tax companies on the profits they really earn in the U.S. and prevent them from using creative accounting to make the profits appear somewhere else. It's hard, but not impossible.

But here's the key point: Administration officials don't want to help collect the corporate profits tax. Unable to push major corporate tax breaks through Congress, the administration has used whatever leeway it has to offer such breaks without legislation. The Hill, a nonpartisan publication covering Congressional affairs, recently reported on ''a series of little-noticed executive orders . . . that will provide corporations with billions of dollars in tax relief without the consent of Congress.''

And now the silence on Stanley becomes comprehensible. The administration doesn't want to say outright that it's in favor of tax evasion; but it also doesn't really want to collect the taxes. Better to say nothing at all.

The trouble is that hinting, even by silence, that it's O.K. not to pay taxes is a dangerous game, because it can quickly grow into a major revenue loss. Accountants and tax planners have taken the hint; they now believe that it's safe to push the envelope, Tax receipts this year are falling far short of expectations, even taking the recession into account; my bet is that it will turn out that newly aggressive tax avoidance by corporations (and wealthy individuals) is an important part of the story. And it will get worse next year.

Furthermore, what does it say to the nation when companies that are proud to stay American are punished, while companies that are willing to fly a flag of convenience are rewarded?

If the administration wants to eliminate the corporate profit tax, let's have a real, open debate—starting with an explanation of how the lost revenue will be replaced in a time of severe budget deficits. Meanwhile, let's crack down on tax evasion.

Mr. HOLLINGS. Madam President, you can read there and see where they have not only cut $1.6 trillion from the revenues and wonder where the deficits come from, but they are insisting at this particular time to make permanent certain tax cuts, an additional $4 trillion. Of all things, our Commander in Chief, the President, says: And by the way, since we have a war on terrorism, we are going to have to run deficits.

We have paid for every war that we have ever been in. I noted the other day, last Saturday:

Sharon's Finance Ministry has revised the budget to deal with the slump and pay for the military effort, particularly the month-long offensive in the West Bank that ended last week. It includes raising by 1 percentage point the 17 percent value-added tax, levying higher taxes on diesel fuel and cigarettes and making cuts in the country's generous social welfare benefits.

You don't find that back in the United States. Israel is serious about its war.

But no. We continue with the economy. We think it is bouncing back because—why? It is not on account of production, and not on account of investment in the market today, but on account of ''Argentina, a land that shopped itself to death.''

I ask unanimous consent to have this printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ARGENTINA, A LAND THAT SHOPPED ITSELF TO DEATH

(By Matthew Parris)

I always knew there was something queer about Argentina.

You do not need to be psychic to pick up a sense that something is wrong with a place. Scores of countries are inhabited by scores of ills, but they muddle through. Argentina felt wrong in a different way. Travelling there was more akin to the experience of visiting a company which, though trading, later turns out to have been a front for quite another operation; or driving down a modern and expensive-looking motorway (as I once did in Cuba) where the sliproads turn out to be dead ends, the bridges across it bridge nothing to nothing, and the crowds of people milling inexplicably round beneath them are found to be desperate hitch-hikers, there being no cars and no petrol.

It just didn't add up. Nor did Argentina.

Arriving at the frontier by bus from Bolivia some years ago after a 20-hour journey over atrocious roads from La Paz, we found that from the border post to the nearest town lay a short stretch of tarmac along which the ten-minute taxi ride cost more than the cost of the whole Bolivian bus journey. In the next town, Juyuy, we paid in Argentine pesos and were given change in crudely printed notes issued by the state government, there being an insufficiency of funds from central government in Buenos Aires,

This seemed like anarchy—some kind of breakdown. So how come, when we reached the next town, Salta, the women were wearing fur and taking toy dogs for walks on leads? I have felt the same ''Huh?'' about Israel, Morocco and Saudi Arabia.

Like Tintin's little dog, Snowy, one surveys the scene with a question mark suspended above the head. The reasons for puzzlement vary but the sense of disjunction is the same: a circuit board with an unfinished circuit; and Escher print where the perspective disappears up its own staircase; those people Moral Re-Armament who invited you unaccountably to lunch in the 1970s; a telephone kiosk in the desert; Mormons. One observes quizzically yet unable even to frame the question. Years later, when the thing implodes, one says: ''I always knew there was something dodgy there; I should have looked into it; I should have said something.''

But what? This was at a time when all the wise people said Carlos Menem was doing things right, the peso had linked to the dollar and the entire Spanish banking system was taking a punt with Argentine economic prospects. To talk of the inherent madness would have appeared, in itself, mad.

Now, at least, there is acceptance that something is wrong. Let me take a stab at saying what. I think the problem with Argentina is shopping.

There is much too much shopping in Argentina, and it has been going on for a long time. Everybody in Buenos Aires seems to be shopping and when they are not shopping they are at yacht clubs, or with their psychoanalysts.

Another favourite pastime is visiting cemeteries, at the most fashionable of which I was astonished to encounter something more resembling a city than a place of burial. Family mausoleums vied with each other for marbled splendour. Some were multistoreyed, and some went down a couple of floors beneath ground. One was said to have a lift. Through the streets of this macabre metropolis women in mink walked miniature poodles in tartan coats.

Where, then, was the money coming from? I saw some breweries, a cement works and a Coca-Cola bottling plant, and there were rumoured to be factories (on strike) in another part of town. There were also a great many waiters, hotels, bars, clubs, and sexily skirted shopgirls selling sickly-sweet pastries and treacly cream. There were window-dressers. And, everywhere, there was shopping.

Well, it's fairly clear—is it not—what was amiss? The country was living way beyond its means. People did know this, on one level at least. They knew what the figures said, and they blamed the Government for not getting the figures right. It was all due, they said, ‘‘to corruption’’; no doubt somebody, probably the political class, was salting it away. Government needed to be ‘‘cleaned up’’, people said (while boasting about how cleverly they were fiddling their own taxes): but in the meantime much hope was being placed by some, and much disbelief by others, in whatever it was President Menem was doing with the currency.

Those who supported pegging the peso to the dollar thought this would rescue the Argentine economy; those who did not, thought it would wreck the Argentine economy. On one thing, however, there seemed to be wide agreement; getting the currency right would be the basis for economic revival.

To another question, however, little attention was directed. Given that currency is really just a medium of exchange, what of the things—the goods and services—to be exchanged? What were Argentinians making? What were they doing when not shopping? How hard were they working? What were they paying themselves for this work? About such questions I heard less discussion and sensed a lack of focus. This was very different from neighboring Chile, a humbler country where the hustle and buzz of economic activity filled the air.

Currency and corruption because the great evasions of political discussion in Argentina. Currency was something somebody else—a politician—had to get right before the economy would work.

Corruption was the reason why, even after many fine minds had applied themselves to Currency, the economy was still refusing to work.

When a political leader has been spat humiliatingly out by the voters we are understandably disinclined to hitch our judgment to his star, but Fernando de la Rua, President for two years since 1999, does seem to me to have been right. And in the end, the bangers of pots and pans got him.

They will soon be banging their pots and pans outside the house of their latest President, Eduardo Duhalde. Whatever left-wing window-dressing, the 60-year-old Peronist veterans brings to his appointment, the real need and only solution is austerity, massive spending cuts and an end to featherbedding. As a Peronist he will not find it easy to lead this way. Already the pots and pans beat for fresh elections and the eviction of the entire political class.

Listen to those pots and pans in Argentina. They are a voice, and a powerful one, of democracy. The voice says ‘‘let us have our cake and eat it’’. The voice has shouted down government after government in that country.

Nor do you need to remind me that Argentina has only fitfully enjoyed elected government. It is a great fallacy of post-1945 political science to equate democracy with elected government. Democracy is the crowd,the majority, the mob; the crowd may get its way by electing a government or by sustaining a dictator. Some of history's most notorious populists have been dictators and generals; for most dictators, if they are to survive, must be or became demagogues.

A dictator—as was Juan Peron—is in some senses more at the mercy of his people than an elected government, for his position is inherently precarious and his tenure, however long, will always have a temporary flavour. Nobody rules for ever without the love of the people, but elected governments can on the whole get away with if for longer. A dictator—an Amin, Mussolini, Mugabe, Hitler, Galtieri—needs to work more assiduously to please the crowd, and has a greater power to carry into effect the will of the people, than a prime minister or elected president. When it suited him, Peron and his trade unions had no difficulty in winning elections.

But with elections some constitutions, terms of office, courts and rules of law. These, often thought of as characterizing democracy, are impediments to the will of the people, and intended to be. So are the International Monetary Fund, the Bank of England, the European Central Bank, the Federal Reserve Bank, the World Bank, world trade and ‘‘globalisation’’. They are bulwarks against the mob.

And they, or a fair few of them, will now have to serve as President Duhalde's allies against the Argentine electorate, banging its pots and pans in the face of reality. Lemmings do not always know what is good for them. Lemmings can be democrats, too.

Mr. HOLLINGS. Madam President, ‘‘Argentina, a land that shopped itself to death.’’

We have gone from the socialistic United Kingdom system of tax and spend and to the Argentina system of borrowing, spending and shopping to death. There it is.

It is very interesting. When I talk of the financial dilemma we are in with a $400 billion trade deficit and we are going to run a nearly $400 billion fiscal deficit—I want to be here on September 30 and see where we are measuring up by September 30. We have an election in November. By October, we will have the figures. It will be nearly a $400 billion deficit. There isn't any question in my mind.

So you have the fiscal weakness—the enfeeblement, more or less—of the economy on the one hand and the productivity on the other hand of not making anything anymore.

I was very interested. That is why I brought this book to the Senate this morning. The favorite book in Washington today is Theodore Rex about Teddy Roosevelt. You will find the economic strength of the country on page 20.

More than half of the world's cotton, corn, copper and oil flowed from the American cornucopia, and at least one-third of all the world's steel, iron, silver and gold.

Can you imagine that? Here we just had to put in some restrictions on the import of steel. It is not more or less trade. It is more about McNamara and the World Bank. He went running around the world with the World Bank saying: Wait a minute. In order to become a nation state, you have to have the weapon of agriculture and the weapons of war. You have to have a 2-percent steel plant.

I worked with a fellow named Willy Korpf when he brought to South Carolina, Beaumont, TX, down in Brazil, Saudi Arabia—he was building them in China a few years ago when he crashed in the Alps coming to his home.

I dedicated his plant across the Rhine across from Strasbourg, France, and Kehl, Germany.

But that 2-percent plant all around the world is an overproduction of steel.

While they argue about steel—I have it in my backyard with NuCor, which doesn't have any legacy problems. It is the most productive steel plant in the entire world. Yet we are importing steel at less than cost on the dock right in front of the Customs house where I have my office in Charleston, SC, to furnish steel all over the Southeast from Brazil. That is the kind of situation we are in.

After 100 years, Teddy Roosevelt—yes. Hamilton, Jefferson, Madison—the Forefathers—were all protectionists. Here it is. They had it. This is what we have as a result of it.

More than half the world's cotton, corn, copper, and oil flowed from the American cornucopia, and at least one third of all steel, iron, silver, and gold. . . . The excellence of her manufactured products guaranteed her dominance of world markets. Current advertisements in British magazines gave the impression that the typical Englishman woke to the ring of an Ingersoll alarm, shaved with a Gillette razor, combed his hair with Vaseline tonic, buttoned his Arrow shirt, hurried downstairs for Quaker Oats, California figs, and Maxwell House coffee, commuted in a Westinghouse tram (body by Fisher), rose to his office in an Otis elevator, and worked all day with his Waterman pen under the efficient glare of Edison lightbulbs. ‘‘It only remains,’’ one Fleet Street wag suggested, ‘‘for [us] to take American coal to Newcastle.’’ Behind the joke lay real concern: the United States was already supplying beer to Germany, pottery to Bohemia, and oranges to Valencia.

We had a vote yesterday on a 50-percent tariff on importing oranges, and they are still bringing them in from Brazil.

Further:

As a result of this billowing surge in productivity, Wall Street was awash with foreign capital. Carnegie calculated that America could afford to buy the entire United Kingdom, and settle Britain's national debt in the bargain. For the first time in history, transatlantic money currents were thrusting more powerfully westward than east. Even the Bank of England had begun to borrow money on Wall Street. New York City seemed destined to replace London as the world's financial center.

Wall Street is on its backside. Why? Because of the enfeeblement of the economy as we think of our strength.

I emphasize that the security of the United States is like a three-legged stool. You have the one leg for the values as a nation, you have the second leg as the military strength, and your third leg as your economic strength.

On values, we have the respect of the world for standing for individual freedom and democracy. There is no question whatsoever with respect to our military power. And with respect to our economic power, it has become fractured as a result of the conduct after World War II for the last 50 years, which worked. No one complains about the Marshall plan and the treating of foreign trade as foreign aid.

But this is what has happened as a result. It has to stop.

Two-thirds of the clothing we wear is imported; 88.5 percent of the shoes on the floor in the Senate are imported; over half of electric motors and portable electric hand tools; 71.8 percent of our aircraft engines and our gas turbines are imported; over a third of our motor vehicles are imported; over half of the office machines; 95.5 percent of consumer electronics—we hardly make those anymore—70 percent of the televisions; 86.7 percent of radio and television broadcasting equipment; over half of the photographic cameras, 80.8 percent; 82.8 percent of the luggage; 70.3 percent of the bicycles; and 84.8 percent of the toys.

I hear constantly, ''high tech, high tech.'' Senator, you don't understand. We are going away from the smokestack industries and we are going high tech.

Look here. Over half of the semiconductors are imported—we are not producing the semiconductors that we consume. We are importing the majority of what we consume, and the same thing is true with computers.

We have a deficit in the balance of trade.

I ask unanimous consent to have the list printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Product	Trade deficit (millions)	Percentage of imports
Pneumatic tires and tubes	−2,286	31.8
Apparel	−56,225	57.6
Footwear	−14,192	88.5
Steel mill products	−10,114	21.3
Air-conditioning equipment/parts	−449	23.0
Household Appliances	−2,441	31.5
Wrapping, packaging, can-sealing	−442	26.2
Textile Machinery	−562	58.3
Electric motors and generators etc.	−2,746	29.8
Electrical transformers, static converters	−3,404	51.8
Portable electric handtools	−808	36.5
Electric lamps and portable electric lights	−682	39.7
Aircraft engines and gas turbines	4,072	71.8
Internal combustion piston engines	−1,724	24.8
Motor vehicles	−106,727	35.6
Office machines	−766	50.7
Consumer electronics	−19,005	95.5
Television receivers and video monitors	−6,549	69.2
Radio and television broadcasting equip.	−4,576	86.7
Semiconductors and integrated circuits	−2,619	51.2
Computers, peripherals and parts	−45,085	56.5
Optical goods, including ophthalmic goods	−1,887	56.5
Photographic cameras and equipment	−3,499	46.8
Watches and clocks	−3,006	80.8
Luggage	−2,489	82.8
Bicycles and certain parts	−1,113	70.3
Toys	−7,930	84.8

Mr. HOLLINGS. Madam President, you get an idea of America going out of business, but more than anything else, we ought to look at Saturday's business section of the Washington Post.

In contrast to Teddy Roosevelt, and the beginning of the last century, let us define where we are today. An article is entitled ''Buying American? Maybe Not.''

I ask unanimous consent to have that printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, May 18, 2002]

BUYING AMERICAN? MAYBE NOT

MANY U.S. BRANDS EUROPEAN-OWNED

(By T.R. Reid)

Let's imagine a typical American couple—we'll call them Bill and Betty Yankee—using a long weekend for an all-American vacation.

Bill, an engineer at Niagara Mohawk Power Corp., in Upstate New York, and Betty, a clerk at Casual Corner, take their Jeep down to the Amoco station for a fill-up, pop a Dave Matthews album into the cassette player and head west. They drive all day, except for a quick lunch at Burger King, and stop for the night at a Holiday Inn outside Pittsburgh. In their room, Bill smokes a couple of Lucky Strikes and watches ''A Beautiful Mind'' on pay-per-view, while Betty curls up with a bottle of Snapple and the new Philip Roth novel she just received from the Literary Guild.

The next day, they get some cash at a Mellon Bank ATM, fill the tank at a Shell station and drive all the way to Chicago. There they meet their daughter Barb, a copywriter at the Leo Burnett advertising agency, who proudly shows her parents the ad she has written for Taster's Choice coffee. Barb's husband, Bob, a reporter for the Chicago Sun-Times, is delighted with the Brooks Brothers necktie his in-laws brought him.

It all sounds thoroughly American. However, just about every product and service that the Yankee family bought or used on this trip came from European-owned companies.

The family Jeep is made by Germany's DaimlerChrysler. The Amoco station belongs to the British oil company BP and the Shell station to Royal Dutch Shell, an Anglo-Dutch combination.

Burger King is owned by Britain's beverage giant Diageo, Holiday Inn by the big British hotel firm Six Continents. Mellon Bank is a subsidiary of the Royal Bank of Scotland. The Oscar-winning movie ''A Beautiful Mind'' was released by Universal Studios, a subsidiary of the French media colossus Vivendi Universal, which is also a major operator of pay-per-view television in the United States. Philip Roth's publisher, Houghton Mifflin, is another Vivendi subsidiary. The Literary Guild is part of the global empire of the German publishing giant Bertelsmann. Lucky Strikes are made by London-based British American Tobacco. Snapple is owned by Britain's Cadbury Schweppes. Taster's Choice coffee belongs to Nestle SA of Switzerland.

It's fitting, in a way, that the Yankee family is constantly buying from European companies, because all four of the Yankees—like millions of other Americans today—are employed by European-owned firms. Niagara Mohawk is one of several American power utilities owned by Britain's National Grid. Both Brooks Brothers and the 1,000-store Casual Corner chain are part of an Italian conglomerate, Retail Brand Alliance. The Leo Burnett agency belongs to a French group, Publicis. Even a product as localized as the Chicago Sun-Times is owned by a company that is owned by the London media magnate Conrad Black.

''We live in a globalized world, and the products Americans use now can be owned by companies almost everywhere,'' notes John Palmer, a director of the European Policy Centre, a Brussels-based think tank. ''Since we've seen the rise of some very powerful European multinationals in the recent past, it's only natural that these companies would extend their reach to the U.S.''

The seemingly endless web of European connections woven through corporate America today reflects a surge of investment from Britain, France, Germany, the Netherlands, Italy, Ireland, Scandinavia and other parts of Western Europe over the past decade. The long U.S. economic boom of the '90s drew hundreds of billions of dollars from European investors into American companies, according to the European-American Business Council, an advocacy group based in Washington. Europe is by far the top source of foreign direct investment in the United States.

European investors say the flow of money across the Atlantic is a tribute to the strength and the promise of the U.S. economy.

''Why invest in the U.S.A.? It's simple,'' says Sir Ian Prosser, chairman of Six Continents PLC, the hotel firm with headquarters in London. ''It's a great economy, and it produces great returns. Beyond that, the U.S. is so competitive that we know the things we learn operating there will help us in all our other markets around the world.''

Money flows the other way, too. Through names like McDonald's, Starbucks or the Gap, U.S. investment is evident in virtually every European city. But similarly, the American presence is not restricted to American labels. Such famous European car brands as Volvo, Jaguar, Aston Martin and Land Rover are all owned by Ford Motor Co.

Even so, the United States is a net gainer, by hundreds of billions of dollars, from the back-and- forth investment. In 2000, according to Commerce Department figures, U.S. direct investment in Europe reached $650 billion; European investment in the United States was almost $900 billion. In economic terms, the big U.S. surplus in direct investment helps pay for the big U.S. deficit in international trade.

The European-American Business Council says that Europeans are the top foreign investors in 44 states, with Texas and California receiving the most funds. In Maryland, 60 percent, or $6.8 billion, of foreign investment money has come from Europe. Virginia has $14.7 billion in European investments, representing 68 percent of total foreign investment.

Some 3.9 million Americans work directly for European-owned companies, the council says.

The result of this transatlantic tidal wave of investment is that many of the products that seem most familiar to American consumers now come from European companies.

Even the word ''America'' in the brand name doesn't imply American ownership anymore. The American Heritage Dictionary is another Vivendi property. RCA Records, once part of the Radio Corporation of America, belongs to Bertelsmann. There may be nothing more American than apple pie, but Mott's apple pie filling, along with Mott's apple juice and apple sauce, are British-owned.

Europeans have also put major amounts of money into American financial companies. In addition to Mellon Bank, Royal Bank of Scotland owns more than 15 other U.S. banking institutions. The respected investment bank once known as First Boston is now Credit Suisse First Boston, a unit of Zurich-based Credit Suisse Group.

In Baltimore, fast-growing Allfirst Bank is a subsidiary of Allied Irish Banks of Dublin, and the city's traditional brokerage house, Alex. Brown, belongs to Deutsche Bank.

Just over a decade ago, when Japanese companies were pouring large sums into U.S. businesses and real estate, the investment sparked fear and anger among many Americans. There was a concern that Tokyo was snatching up America's corporate jewels. When Sony purchased Columbia Pictures, for example, Newsweek's cover featured the Statue of Liberty dressed in a kimono and the headline "Japan Invades Hollywood."

But the new wave of European investment has spawned almost no adverse reaction among Americans. Perhaps Americans are proud that foreign investors want to put their money into the U.S. economy. Perhaps there is a growing public awareness of the process of globalization, with multinational companies buying and selling subsidiaries all over the world. Perhaps Americans just don't know how much of their daily commerce is done with European-owned firms. Or could it be that Americans don't mind if blue-eyed Christians from Europe buy their companies but are less comfortable when Asians do?

Since the U.S. government, industry and financial markets all welcome the influx of funds, there's probably not much relief available for any Americans who are worried about the wave of European ownership. The only thing to do, really, is head out to a bar and drown your worries with a classic American drink like a "seven and seven."

Of course, this might not be a completely satisfying response, because both parts of that familiar cocktail come from British companies today: Seagram's Seven Crown belongs to Diageo, and 7Up is one of the flagship brands of Cadbury Schweppes.

Mr. HOLLINGS. Madam President, I will not read the entire article. It is very interesting.

Let's imagine a typical American couple—we'll call them Bill and Betty Yankee—using a long weekend for an all-American vacation.

Bill, an engineer at Niagara Mohawk Power Corp. in Upstate New York, and Betty, a clerk at Casual Corner, take their Jeep down to the Amoco station for a fill-up, pop a Dave Matthews album into the cassette player and head west. They drive all day, except for a quick lunch at Burger King, and stop for the night at a Holiday Inn outside Pittsburgh. In their room, Bill smokes a couple of Lucky Strikes and watches "A Beautiful Mind" on pay-per-view, while Betty curls up with a bottle of Snapple and the new Philip Roth novel she just received from the Literary Guild.

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The entire article is in the RECORD.

It is just ludicrous when you hear this talk about free trade, free trade, and global competition. I don't want to sound like Al Gore, but I know a little bit about global trade. I didn't invent it. But 40 years ago, as a Governor, I went to both Latin America and to Europe to seek industry, and today we have 125 German industries in South Carolina. I have not had much luck recently on carpetbagging New York, but I used to go up there regularly and move everything I could find up there down to South Carolina. But the opportunities now are in Europe and out in the Pacific rim.

I called on Michelin exactly 40 years ago—well, 42, I guess—in late May or June of 1960. We have four Michelin French plants, their North American headquarters.

So don't lecture us, who have lost 53,900 textile jobs, about globalization. The fact is, there is no such thing as free trade. Never has been. Never will be. In the earliest days——

Mr. DORGAN. Will the Senator yield?

Mr. HOLLINGS. I am going to get through my thoughts here, and then I will be glad to yield. But I do not have it on the record, and I want to put this particular subject on the record as I see it and can remember it.

Mr. DORGAN. Mr. President, I just want to ask unanimous consent for something.

I ask unanimous consent that I be recognized following Senator HOLLINGS.

The PRESIDING OFFICER (Mr. CARPER). Without objection, it is so ordered.

Mr. HOLLINGS. Very good. I thank the distinguished Senator.

Mr. President, what happened was, in our earliest days we had just won our freedom when the David Ricardo comparative advantage crowd in the mother country, Britain, corresponded with Alexander Hamilton and said: Now what you ought to do is trade with us what you produce best, and we will trade back with you what we produce best—free trade, free trade, Adam Smith, market forces, and everything else of that kind.

Alexander Hamilton wrote a report on manufacturers. I have a copy of it now. There is one original copy over in the Library of Congress. But in a line, he told the Brits: Bug off. We are not going to remain your colony, importing all the manufactured goods and exporting to you our rice, our cotton, our indigo, our lumber, timber, and iron ore, and so forth.

The second bill that passed this Congress in its history—the first bill being for the Seal of the United States—the second bill in the history of the Congress, that passed on July 4, 1789, was protectionism, a tariff bill of 50 percent on 60 articles. Protectionism was supported throughout the building of America during the 1800s—Lincoln with steel protectionism; protectionist Roosevelt with agricultural support prices, protective quotas and import quotas; Eisenhower in the middle 1950s with oil import quotas, protectionist Eisenhower. Those who built protected.

After all, that is the oath we take, to preserve and protect. We have the FBI to protect us from enemies within, the Army to protect us from enemies without, Social Security to protect us from the ravages of old age, Medicare to protect us from ill health; the clean air, clean water—we have safety rules and everything. The fundamental job of Government is protection.

Here we have the highest standard of living. All these Senators run around on the floor, they want the environment, they want safety, they want parental leave, and they want plant closing notice. Fine. We have them all on the books. But you can go down to Mexico for 58 cents an hour and none of that. And if your competition goes, you are going to have to leave. And that is what has been happening.

But you have these folks on the floor of the Senate who are determined to wreck the economy. There never has been any such thing as free trade, and never will be. Almost like world peace: you strive for it. You strive for it, and it will not happen in my lifetime or your lifetime.

More than anything else, all you have to do is just look at the books published by none other than the Office of the U.S. Trade Representative—"Foreign Trade Barriers." This one in 1992 had 267 pages. They are talking about, oh, the wonderful success of fast track, fast track; we are going to really bring down trade barriers, increase jobs.

This one is for 2002: ''National Trade Estimate Report of Foreign Trade Barriers.'' This has gone up to 458 pages. It has gone up 200 pages. They are increasing the barriers. They are competing. Reciprocal free trade, reciprocal free trade, said Cordell Hull, to compete. So what happens is, we have the competition of the countries themselves.

Let me explain just what all they do. They begin with import licensing. We do not have that. You have a tough time getting an import license into Japan or even into China or Korea. If you want to import textiles into Korea, you have to have a vote of the Korean textile authority. The ones over there with whom you are competing vote you out. You never get in.

In banking, they talk about free trade, free trade. The day before yesterday, the Japanese lowered the yen. That is market manipulation. So with a lower yen, they can increase their exports. That is not free trade, free market, free market, free trade. They have inspection practices.

Let's put it this way. If you want a 2002 Toyota in France, it is on the dock in Le Havre being inspected, and by January 1, 2003, you can get last year's model, 2002. The same with the CDs and VCRs, they put them up at a place in France. They have all of these inspection practices. They are all tricks of the trade.

We just had a hearing on Enron. The lawyer had a memo there about all the tricks of the trade. They have such things as different snow when you go to sell ski equipment in Japan. And I have a paper company, West Virginia Pulp and Paper. They tried to emulate and mimic and produce cigarette paper. They worked on it for 2 years, got the exact duplicate of it and everything over there, and they still wouldn't let them bring that cigarette paper in. They said it was still different.

What you have in essence is the fundamental practice. That is what has to be emphasized as I try to explain this. We operate in the free market, capitalistic market in the United States on price and quality. Not so in global competition. They couldn't care less about price. They try for a good price and try for quality, but it is below price, below the production cost. That Lexus I have that costs $35,000 in Charleston, SC, costs $45,000 to $50,000 in downtown Tokyo. All of the prices are less than cost. Can you understand why they fought so vigorously the idea of doing away with our dumping laws? We can easily prove they are selling as loss leaders. They are selling at less than cost in the United States of America, but that is the name of the game.

As I said, the Japanese have already taken over a third of the automobile market, already a majority of the semiconductor, and a majority of the computer market. You can go right on down the list. Once they get market share, they will run the prices up. The competition is not with respect to productivity. We are constantly chastising the workers of the United States. You go to the Bureau of Labor Statistics or the economic section of the United Nations; they both agree that the most productive industrial worker in the world is the U.S. industrial worker. There is no question about their producing, but we are not in the competition. We are talking about quality and productivity. They are talking about dumping. That is why they fought right here to a tie vote with respect to trying to get that amendment. That is why the U.S. Trade Representative went to Doha and said: Don't worry about it. We will have a good conference because we are going to get rid of the dumping laws.

That is exactly what they are saying. Now they have fast track, and they are ready to do it. They can get rid of the dumping laws. This is a fix on that.

More than anything else, you have to understand the competition. The competition isn't with respect just to market share and countries. On the contrary, we have met the enemy, and it is us. I will never forget my good friend Bobby Kennedy who used to have this desk. He came into the limelight in America with a book called ''The Enemy Within.'' He was talking about Hoffa and organized labor.

I can write that same book, ''The Enemy Within,'' about management. It is corporate executive America. They couldn't care less about it.

I hope I can get an article here by Henry Kauffman. I had the article, but I don't know that I brought that over this morning because I didn't realize I was going to have this opportunity. He said way back that people in the olden days when you owned the horse, you were supposed to feed the horse while it was alive, and if the horse was dead, the owner was responsible to bury the horse.

That is not the case with corporate executive America today. They just pass through, sometimes hostile takeovers and everything else of that kind. They are trying to get the stock up over a 3-year period, give them a golden parachute, and move on. They don't feel the obligation to stay. So what happens is, they have learned on the one hand that they can save tremendous money in cost with respect to producing offshore. Thirty percent of volume or sales is in your labor cost and manufacturing. And you can save as much as 20 percent of your sales cost by moving to an offshore low-wage country or down to Mexico.

If you retain your executive office and your sales force but move your manufacturer offshore to a low-wage country, what you do is, if you have $500 million in sales, you can make $100 million before taxes or you can continue to work your own people and go broke. That is the job policy of corporate America, adopted in fast track by the Senate. That is what I am trying to bring home to those who are not thinking, including my farmer friends.

Yes, I listed the different industrial articles. We have a deficit in the balance of trade in cotton. You can go right on down the agricultural commodities. Let China keep coming, and in 3 or 4 years we will have a deficit in the balance of trade in wheat. We have competition in durum wheat. That is why we have one friend here from North Dakota. But there is no question in my mind that what we have is just that, the enemy within.

What do they do? They band together not to build, as we are responsible to build this country in the Senate, not to create jobs, as our primary responsibility to keep America economically strong and create jobs and job opportunities, but theirs is to export the jobs as fast as they can. They band together with the Business Roundtable, the National Association of Manufacturers, the conference board, but more particularly, the Chamber of Commerce.

I saw that change come about with Tom Donahue when we went over there. That National Chamber of Commerce couldn't care less about main street America. They have no idea of creating jobs or opportunity or representing main street America. I could tell you now, I was in this before. I will never forget—I might as well identify myself as not antilabor, but certainly I am not ready to vote just labor's way. I am from a right-to-work State. I voted for that law. And more particularly, when we had a debate when Russell Long was chairman of the Finance Committee, I was the fellow who blocked labor law reform on eight occasions. We had eight votes up and down on cloture. I won on all eight votes.

In years passed, I have received honors from the Chamber of Commerce. So I know from whence I come and speak. We have developed more industry than that Donahue. He came from a trucking outfit. They put him on a few boards. He has picked up here on trial lawyers and everything else like that.

But what we have confronting us in the Senate is not weapons of mass destruction and Saddam. We have the U.S. Chamber of Commerce and weapons of class destruction.

The greatness of America is when Henry Ford said: Look, I want that fellow who is producing the automobile to be able to buy it. He started Middle America, the industrial wage. They had benefits and health care and everything else of that kind. These are the jobs we are losing hand over fist.

The first thing we brought out on debate on so-called free trade—they would not even admit it from the Finance Committee—is not how we were going to create jobs. First, they added how are we going to take care of those who lost the jobs—''adjustment assistance,'' they call it. So we are not producing, and we are into a situation where you have limited time.

I understand the time will run out this afternoon around 4 o'clock. They worked it into this particular situation. Yes, everybody wants to go home for the Memorial Day break. They always do it. When we adjourned before with GATT in November, we were going home for Thanksgiving. They always find a holiday and work it up and fix the vote.

I ask unanimous consent to have printed in the RECORD at this particular point the article in the Washington Post, dated December 26, 1993.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Dec. 26, 1993]

THE NAFTA-MATH; CLINTON GOT HIS TRADE DEAL, BUT HOW MANY MILLIONS DID IT COST THE NATION?

(By Charles Lewis)

The orgy of deal-making that preceded the House of Representatives vote on NAFTA illustrated just how little the mercenary culture of Washington has changed since the arrival of a Democratic administration.

Estimates of the total cost of the deals around NAFTA vary widely. Gary Hufbauer, a trade expert who has written favorably about NAFTA for the Institute for International Economics, told the Associated Press that the last-minute deals cost in the ''tens of millions of dollars.'' Public Citizen, the consumer organization founded by Ralph Nader, estimates that the deals cost at least $4.4 billion. The Nation magazine, which has been critical of NAFTA and ''Republicrat'' Clinton, says the total cost of the eleventh hour wheeling-and-dealing might ultimately amount to $50 billion.

Hyperbole aside, the quantifiable cost to the taxpayer of the NAFTA deals will be at least $300 million. American consumers will also pay higher prices on a wide variety of goods because of special interest tariff agreements reached during the NAFTA bazaar. Rep. Dick Zimmer (R–N.J.), who voted for NAFTA, is disgusted about the ''presidential giveaways,'' and he plans to introduce legislation in January to repeal the various NAFTA deals, arguing that ''such sordid behavior debases the legislative process.'' But good luck trying to figure out what deals were made. Many of the particulars of what transpired have disappeared like steam into the air. Normally loquacious members of Congress are tongue-tied or unavailable to comment about their NAFTA votes, while White House officials dismiss the subject as sour grapes. But many of the details of numerous deals have been documented and confirmed. They illustrate the financial forces that shaped Congress's voting and may have tipped the balance in favor of the agreement.

The biggest single taxpayer outlay was snared by Rep. Esteban Torres (D–Calif.). Concerned about NAFTA support among Hispanic members of Congress, the White House wrote a ''U.S.-Mexico Executive Agreement'' to create a bi-national North American Development Bank. The cost will be at least $250 million. Torres, a former United Auto Workers union official, voted for NAFTA after receiving this expensive concession.

Two undecided Georgia Democrats extracted $15 million from the administration. The aptly named Rep. Nathan Deal and Rep. George ''Buddy'' Darden decided to vote for NAFTA when the White House agreed to hire 136 new customs agents just for the textile and apparel industries. As Darden told the Atlanta Constitution, ''I was very impressed by the White House's responsiveness to the textile industry.''

To secure votes in the Texas delegation, the administration promised to speed up the building of the Center for the Study of Western Hemispheric Trade somewhere in Texas. Cost: $10 million. $33 million to vegetable interests in Florida to complete an agricultural research station.

One of the most amusing illustrations of how difficult it is to arrive at the true cost of NAFTA involves Rep. Eddie Bernice Johnson, a first-term Democrat from Texas. The Journal of Commerce broke the story that Johnson agreed to support NAFTA after an unnamed administration official promised that the Pentagon would purchase two additional C–17 cargo planes—at a cost of $1.4 billion—from the Vought Aircraft factory in her south Dallas district. The controversial military transport plane has an impressive history of technical failures. Johnson claims she was misquoted. Her decision to support NAFTA, she says, was based on the ''broad needs'' of her constituents; the Journal of Commerce reporter stands by his story.

That's one reason why estimates of the NAFTA price tag vary: Public Citizen includes this alleged $1.4 billion deal in their estimate of $4.4 billion.

Another reason: the ultimate costs of the special-interest tariff deals before the NAFTA vote are difficult to gauge. For example, a special ''snap-back'' tariff mechanism was agreed to with Mexico to protect Florida citrus growers. If U.S. orange juice concentrate prices fall to certain levels, a tariff is imposed on Mexican oranges; American consumers will be denied the benefits of lower orange juice prices.

Similar formal ''Executive Letter of Agreement'' tariff agreements were made on sugar and syrup goods, wine and brandy, flat glass, home appliances and bedding components such a springs, iron rails and wooden parts, to name a few. These executive letters of agreement are a form of protectionism extended to certain well-connected business interests. Hufbauer, the pro-NAFTA trade expert, said in a recent interview that they could ''easily cost American consumers hundreds of millions'' of dollars.

The more candid members of Congress acknowledged that their votes were being bought. Florida Rep. Tom Lewis, a Republican, who supported the pact after the Clinton administration explicitly agreed to raise tariffs temporarily on imported tomatoes from Mexico, told the New York Times, ''I look with disdain on the way this whole thing has been done . . . It almost looks like you're selling your soul.''

A week before the vote Rep. Bill Brewster (D–Okla.) was undecided about NAFTA. He had two personal meetings with the president and dozens of phone calls from administration officials. He let it be known that he would not supporter NAFTA without specific concessions for his constituents. In the end, as the Washington Times reported, the White House agreed to help cattle ranchers and peanut growers in his district. As Brewster put it, ''I know how this place operates . . . I made sure we got it in writing.''

Other, savvier deal-makers were explicit about not getting a quid pro quo. Rep. Charlie Rose (D–N.C.) played a crucial role in the House anti-NAFTA working group led by Majority Whip David Bonior until literally hours before the vote. But Rose had told a reporter that ''I could be persuaded by the White House if they were sufficiently serious to lower the tobacco tax to pass NAFTA.'' Rose was then lobbied by the White House and wound up voting for NAFTA.

''I didn't sell my vote,'' Rose insisted to reporters. ''I just told those people: 'Look, if I vote with you, I want you to be as understanding as you possible can about the kinds of problems agriculture has and needs to address in 1994.''

In other words, Rose's vote was bought on a layaway plan. The ultimate cost, if any, won't be known until next year, when the Clinton administration sends Congress its proposal to raise taxes on cigarettes.

After the NAFTA vote, Bill Clinton was compared in these pages and elsewhere to Lyndon Baines Johnson, for his aggressive, unabashed use of political power in dealing with Congress. The comparison implies that pork-barrel politics, while unfortunate and unseemly, is necessary to achieve success, and always has been.

Perhaps. But LBJ, even in his most legendary arm-twisting mode, never led a domestic lobbying campaign as lopsided as Clinton's NAFTA effort. Forget the testimonials elicited from Nobel laureate economists, the former secretaries of state, former presidents, Lee Iacocca and Bill Gates. Consider the Clinton persuasion tactics in the larger context of the NAFTA lobbying effort.

Ross Perot, labor unions and other NAFTA opponents spent less than $10 million, according to the Wall Street Journal. Mexican government and business interests, by contrast, retained scores of lobbying, public relations and law firms in Washington at the cost of $30 million. And the leading pro-NAFTA lobbying group, USA*NAFTA, and individuals U.S. corporations with factories in Mexico spent another $10 million to promote the pact. Add to these two figures the $300 million in government funds that the Clinton administration committed for the sake of passing NAFTA, and it seems likely that NAFTA proponents outspent their opposition by a margin of more than 30–1.

More importantly, LBJ never promised to do things differently. Clinton did. In accepting the democratic presidential nomination in July 1992, he declared his antipathy for special-interest wheeling and dealing in Washington. ''For too long, those who play by the rules and keep the faith have gotten the shaft,'' he said. ''And those who cut corners and cut deals have been rewarded.''

Sixteen months later, when Clinton was in danger of losing vote on NAFTA, those who cut deals were the ones who reaped the biggest rewards. And those who kept the faith that Clinton might change the way politics is done in Washington were the ones who got the shaft.

Charles Lewis is founder and executive director of the Center for Public Integrity, a nonprofit research organization based in Washington and funded by foundations, corporations, labor unions, individuals and revenues from news organizations. Margaret Ebrahim of the center provided research assistance.

Mr. HOLLINGS. Mr. President, you can find out that they gave a cultural center; President Clinton gave golf games; they gave—and this is all for NAFTA. That particular article was dated 1993. Anyway, it talks about how they fixed fast track and changed the votes on the House side. They do the same thing within the Finance Committee. You don't have any debate. Without fixing the votes, they cannot get cloture—they impress cloture upon you, I should say. You don't get time for debate.

So what we have now is the executives, finally, not only moving their manufacturing, they are moving their executive offices to Bermuda.

I don't think this amendment is up, but I had one with respect to the textiles. I wanted to try to compensate those who, in the last 3 years—1999, 2000, 2001—have lost their jobs, some 334,000. The cost of the amendment itself is about a billion dollars. We are trying to get them health care so they can continue and get some kind of training and adjustment assistance, having lost their jobs. We were told in NAFTA we were going to create jobs, and we lost 53,900 jobs. But not only are we losing the jobs, but they have the unmitigated gall—corporate America—to move offshore and not pay any taxes. They want that mother and father of that 18-year-old we recently lost in Afghanistan—they want that mama and daddy, who are working, to pay taxes. You can tell this society is on a binge. The President ran adds for 3 minutes, saying: Take your trips, go to Disney World, go and take a trip—and everything else like that. They don't want to pay for the war.

Now we have corporate America AWOL from the terrorism war. They are all going overseas, down to Grenada, and over to Bermuda and everywhere else so they won't pay taxes. Never mind about leveling the playing field. You could not blame the other countries that don't have this high standard of living. Any one of the countries—in China, they are building their industrial capacity just right. Over in China, they say, look, in order to sell, you have to produce that Buick car. Wait a minute, they say after that, you have to move your research here. The most modern automobile research is in China. Of course, they have the outstanding engineers at a next-to-nothing cost.

So now—I don't have the article here—they are moving Japan's futuristic research, cutting edge research, into China. So what you have is the competition of 1.3 billion producers in agriculture and industry, and we are hollering "fast track, fast track," and we have to aid somebody. We have run out of gas, as I pointed out. Level the playing field? You cannot do it Washington's way, Mr. President.

They tell me: Senator, don't worry about it, we have to retrain, re-educate. I will give you an example. Oneida, in South Carolina, makes clothes. They have 487 workers. The average age of those 487 workers was 47. So we will do it Washington's way and we will train those 487 workers, and tomorrow morning they are computer operators, expert computer operators. Mr. President, are you going to hire the 47-year-old computer operator or the 21-year-old? You are not going to take on the health costs of the 47-year-old. You are not going to take on the retirement costs of a 47-year-old. You are going to be hiring the 21-year-olds.

When they have lost their jobs, they quit making payments on the automobile, and they quit making payments on their house. Some of them have lost their houses and everything else like that, with 53,900 in South Carolina alone, and 700,000 in the country. These are just the ones in the last couple of years we are trying to get at, as we did with the steelworkers, and we got a majority vote on that. That is what I had lined up. I was going to pay for it by closing the Bermuda tax loophole. It is a national disgrace.

They talk about when they have an intelligence breach—and I never accused the President of knowing anything. I don't think it was passed on. That is obvious from what I am reading. There isn't any question that the fellow up in Minnesota wrote a memo—read Time magazine this week—a detailed memo on how they might fly into the World Trade Towers. I don't know why they keep getting the fellow from Phoenix, AZ. Get the one from Minnesota. He said they might fly into the World Trade Towers.

Seaport security has languished in the House since before Christmas. Rail security has languished at the desk since before Christmas. They are not about to pay the bills or put on any taxes to pay for this war. They want another $4 trillion tax cut. This is one of those situations where we need just as much help.

I wish I had the Senator from Maryland, Senator MIKULSKI, here to talk about building and fighting the war and everything else. I never heard anything more eloquent on behalf of the steelworkers. I support her. She is magnificent. I wish I had her here to describe the plight of these textile workers. They are just as important to our security.

I will emphasize this: In 1961—and it is still on the books today—there was a national security provision preventing the President from taking Executive action in trade, unless he proved first that the item in question was important to our national security. I went at that time to hearings, along with George Ball from the State Department, Freeman of the Department of Agriculture, Secretary of Labor Arthur Goldberg, Secretary of Commerce Luther Hodges, and we had Secretary of the Treasury Douglas Dillon. We had the hearings, and it is on the books of the United States of America that, next to steel, textiles is the second most important to our national security. So we are not just talking about a cheap price. America wasn't built on consumerism; America was built on building and creating jobs.

For 100-some years, in Teddy Roosevelt's time when we had a strong America, we didn't even have the income tax. The tariffs and protectionism built this country, and under Eisenhower, Roosevelt, and other distinguished Presidents, we continued to build.

This crowd has nothing but boast politics. They couldn't care less. Fast track—we will just vote it. The excuse will be I had to do it. It was either take it or leave it. It ought to be a shame to vote against the Constitution. Article I, section 8, not the President, not the U.S. Trade Representative, but the Congress of the United States shall regulate foreign commerce.

Here I am begging to perform my own responsibility, and the vote is: You do not have the responsibility; we are going to do it, and you have to take it or leave it, up or down; you are not going to be in charge—fast track.

Mr. President, I reserve the remainder of my time. I yield the floor.

The PRESIDING OFFICER. The Senator yields the floor and reserves the remainder of his time.

Under the previous order, the Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, by previous consent, I was to be recognized following the presentation by Senator HOLLINGS. I wish to propose, for the convenience of others in the Chamber, a slightly different arrangement. Senator GRASSLEY wishes to be recognized. I ask unanimous consent that Senator GRASSLEY be recognized for 20 minutes, with Senator LANDRIEU following for 15 minutes, Senator CORZINE for 15 minutes; and, following that, I be recognized.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I wish to speak against the Hollings amendment that is before the Senate. I will tell you two reasons I strongly oppose the amendment.

My comments are in regard to why trade adjustment assistance should not be expanded in the way Senator HOLLINGS proposes it. Before I give those reasons, I remind my colleagues of the tremendous expansion of trade adjustment assistance that is already in the bipartisan bill before the Senate. A lot of programs that are part of trade adjustment assistance have never been part of the program in the 40-year history of trade adjustment assistance.

We in a bipartisan way in this body are very concerned about workers who are dislocated for trade or economic reasons. The usual retraining and support programs are being continued, but as one of several examples of additional programs, we are going to provide health insurance benefits for dislocated workers because of trade under trade adjustment assistance.

When I speak against any further outrageous expansions of this program, as Senator HOLLINGS' amendment would do, I do not want anybody saying that those of us who oppose it do not have any concern about those who are dislocated because of trade.

First, this is an extremely expensive, radical expansion of the Trade Adjustment Assistance Program that cannot be justified in any fashion as a program that is related to trade. In fact, this amendment completely severs the traditional 40-year link between adjustment assistance and trade. All you have to do is work in one specific industry during a specific period of time and you are eligible to receive benefits.

The fact is, workers in the textile industry and in other industries as well often lose their jobs for reasons having nothing to do with trade. Often workers might lose employment because of new advances in technology, changes in the national economy, their company is not well run, or because of improvements in productivity. For all of those, we have programs on the books to help those dislocated workers, albeit dislocated unrelated to trade.

The textile industry in particular has seen tremendous changes because of new technology, such as the introduction of new computer-assisted design techniques that have often transformed many labor-intensive jobs into more high-tech workplaces over the past decade.

While it is certainly regrettable that these new developments in technology mean some workers lose their jobs, we should try to help these workers and help their families at the same time and do it as much as we can through other types of assistance. They are not workers, though, who have lost their jobs because of trade.

Furthermore, I do not know on what basis we can simply give Government benefits to workers in one industry but not to workers in other industries. Do not workers in industries other than textiles also deserve the same treatment?

The bottom line is the purpose of trade adjustment assistance. It is designed to help workers who are adversely affected solely because of trade.

This amendment would signal a radical transformation of trade adjustment assistance into another welfare program with no connection to trade. It would also sharply boost the cost of the Trade Adjustment Assistance Program. According to the Congressional Budget Office, this provision alone would cost over $700 million in a 10-year period. That would nearly double the cost of the entire Trade Adjustment Assistance Program with just the one provision: The provision put forth by Senator HOLLINGS.

I regret that any American loses his or her job. There is nobody who wants to see an American lose their job. I have had the opportunity twice in my industrial employment to lose jobs, once in 1960 and once in 1971.

In 1971, I drew unemployment compensation for a short period of time. I know what it is like to be dislocated from a job, but I was not dislocated because of trade. There were other programs that helped me during that period of time, and those programs are available for people because we know that losing a job is a terrible blow to an individual. It affects the entire family. But there are other programs designed to help these individuals.

We should not take money away from other Federal programs and from other pressing needs in our country to pay benefits under a trade adjustment assistance program to workers just in one industry, and particularly when they are not affected by trade.

I strongly urge my colleagues to vote against this amendment.

Mr. President, while I have time remaining, I wish to speak generally—how much time do I have Mr. President?

The PRESIDING OFFICER. The Senator has 13 minutes remaining.

Mr. GRASSLEY. Mr. President, I wish to speak about the underlying legislation.

When talking about trade promotion authority, opponents seem to love to use the term ''fast track'' because I think they believe that this sounds somewhat sneaky or somewhat uncontrollable. That is a shame. It is a shame because the term ''fast track'' does not really reflect what this legislation is all about and the procedures that are connected with giving the President the authority to negotiate trade agreements.

The term we use in this legislation, ''trade promotion authority,'' is more accurate. In reality, trade promotion authority is a contract. It is a contract between the President and the Congress. When the Congress extends trade promotion authority to the President, the Congress agrees to authorize the President to negotiate trade agreements and to do it on behalf of 280 million Americans.

Why do we have this contract with the President of the United States? We have it because there is only one person who can speak on behalf of 280 million people in international affairs, and that is our chief diplomat, the Chief Executive of our country, the President of the United States. It is that simple. We cannot have 535 people in Congress negotiating with other nations. It would not ever work.

If we are going to succeed at the negotiating table, our trading partners need to know that the person to whom they are speaking has authority to negotiate.

Trade promotion authority not only gives that authority to negotiate, but it gives a great deal of credibility to our President at these tables. That is what the trade promotion authority contract between the Congress and the President is all about.

Let me be clear. The President does not go into trade negotiations without guidance and without always being reminded that the constitutional power to regulate foreign and interstate commerce rests with the Congress of the United States. Through this trade promotion authority bill, the Congress gives very careful direction to the President, with detailed lists of instructions. The Congress tells the President—we do that through this legislation—if he follows these directions we give him, if he fulfills the details of consultation procedures laid out in this bill, we will do three things.

First, we will actually consider the agreement. We will not have these agreements sitting around collecting dust on Capitol Hill. The Congress will actually pick up this agreement and we will consider it. Now, that does not mean we will agree with the bill, it does not mean we would pass the bill, but we are committed to considering it.

Secondly, we will not change the agreement before we consider it. We authorize the President to negotiate. He follows our directions. He consults with the Members of Congress through the process. We know what is in the negotiated instrument. Now we will consider it without changing it.

Third, we will limit debate on the agreement. We will not tie it up in endless debate in the Congress. That is the contract we have with the President of the United States, an agreement between the President and the Congress that if he will do certain things for us, we will do certain things.

Why do we do it that way? We do it because it empowers us as a Congress, it empowers us as a nation. Without trade promotion authority, the President has no clear direction from Congress. He can basically negotiate anything he wants without consulting with Congress, but he will not do it in a credible way with the other nations that are with him because they are not apt to agree if they are not certain that a final agreement will be considered by Congress No. 1, and not changed by Congress No. 2, and actually voted upon.

Congress can selfishly observe its constitutional power because we keep a watchful eye on the President of the United States over many months, sometimes over many years, in the process of the negotiations to reach an agreement.

Trade promotion authority also empowers us as a nation of 280 million people. Our foreign trading partners know the President speaks for the Nation in international trade and that he has the backing of Congress. With this knowledge, they can be sure any agreement concluded with the President will be considered by Congress without being amended to death. That empowers our Nation to get the best bargain we can at the negotiating table.

What happens if the President does not fulfill his end of the bargain? What if he does not follow Congress's direction or fails to consult with the Congress as the law requires? Then he does not get the benefit of agreement. The trade promotion authority bill itself contains procedural enforcement mechanisms to ensure the President does not overstep his agreement with the Congress. Trade promotion authority procedures are very carefully balanced in a thoughtful way for the President and the Congress to work together to advance the economic interests of our Nation. It is a procedure that has worked well for over 50 years, and on the basis of this legislation, trade promotion authority has worked well for 25 years. It is also a procedure that since 1995 our Nation has gone too long without. One hundred thirty agreements around the world have been negotiated. Our President has not had the credibility to be at the table. He has not been at the table. We have been at the table of three bilateral agreements but otherwise not. So the interests of

280 million Americans have never been represented, never been protected, and the rest of the world is going to move on.

Prior to 5 or 6 years ago, the rest of the world used to wait for the United States to take the first step. We have an opportunity now by passing this legislation to put our Nation once again in the lead. So that is why I urge my colleagues to work our way through the rest of these amendments and to work with Senator BAUCUS and me to pass this bill and help get our Nation's trade back on track.

How much time do I have remaining, Mr. President?

The PRESIDING OFFICER. The Senator from Iowa has 5½ minutes.

Mr. GRASSLEY. There is also a lot of benefit in trade promotion authority and trade agreements for the American farmers and ranchers, and it is beneficial to us because our farmers and ranchers are competitive and technologically advanced in the world. The United States has long been a world leader in agricultural exports. Dollar for dollar, the United States exports more meat than steel, more corn than cosmetics, more bakery products than motor boats, more fruits and vegetables than household appliances. One in three acres of agricultural production of the United States is exported.

In 2000, the U.S. agricultural community exported $51 billion in products and supported at least 750,000 American workers. With 96 percent of the world's population living outside the United States, there is a huge market for food products of American farmers and ranchers.

In the absence of trade promotion authority, other countries have entered into trade agreements that have driven foreign consumers from the U.S. agricultural market.

Burger King restaurants in Chile buy potatoes from Canada. Canada's free trade agreement with Chile gives their farmers eased access to the Chilean market while American farm products are subject to high tariffs that drive up the price to the consumer. So, consequently, we do not sell to Chile.

Trade promotion authority will expand existing markets, open new markets for American food products, and allow our farmers and ranchers to better compete, boosting our exports. Previous trade agreements demonstrate benefits to American farmers and ranchers.

U.S. agricultural exports to our NAFTA partners have increased $4 billion since that agreement went into effect 8 years ago. Under the United States-Canada Free Trade Agreement, U.S. agricultural exports doubled. Canada is the No. 2 market for our agricultural exports, buying $7.6 billion in the year 2000. Under the North American Free Trade Agreement, our agricultural exports to Mexico have nearly doubled, making it our third largest agricultural market buying $6.5 billion in the year 2000.

U.S. pork producers credit the North American Free Trade Agreement with their 130-percent increase in market share in Mexico between 1994 and the year 2000. The United States beef and veal exports to Canada increased 26 percent in volume between 1990 and 2000 and increased five fold with Mexico from 1993 to the year 2000. The sale of United States corn to Canada increased more than 127 percent in volume between 1990 and 2000, and exports to Mexico increased by nearly 18 times between 1993 and 2000.

Mexico voluntarily chose to accelerate its market opening for corn under the North American Free Trade Agreement to provide lower cost food for its consumer. Canada imported 15 percent more soybeans from the United States between 1990 and 2000. Mexican imports of United States soybeans doubled from 1993 to the year 2000.

I would also like to comment on the seriousness of defeating the Byrd (3447) amendment on the Congressional Oversight Group. The Byrd amendment will curtail the authorities on international trade within the Congress of the United States; those people who have been given authority, the Finance Committee and the Ways and Means, will be curtailed. It will curtail our oversight of these agreements. We need to work toward that. I am also asking my colleague, for the sake of maintaining the authority of an oversight of the Senate Finance Committee, that we defeat the Byrd amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 15 minutes.

Mr. REID. If the Senator will withhold for a unanimous consent request.

Ms. LANDRIEU. I yield.

AMENDMENT NO. 3450 WITHDRAWN

Mr. REID. Mr. President, on behalf of Senator BYRD, I ask unanimous consent that the amendment numbered 3450 be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I ask unanimous consent that Senator HARKIN be recognized following Senator DORGAN, and that he be recognized for up to 45 minutes, and that Senator CANTWELL be recognized following that for 20 minutes. If there is a Republican Senator who seeks recognition, that Senator would have the right to follow Senator DORGAN. We will alternate if the Republicans want to; if they do not, we have the order set up.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Louisiana.

AMENDMENT NO. 3470

Ms. LANDRIEU. I have an amendment at the desk, and I ask for its immediate consideration, amendment No. 3470.

The PRESIDING OFFICER. Is there objection?

Mr. GRASSLEY. I object.

Ms. LANDRIEU. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I want to make sure the unanimous consent agreement is clear. Following Senator HARKIN, if a Republican wishes to speak, they will be able to do. Prior to that, the order is in effect.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Louisiana.

Ms. LANDRIEU. Mr. President, I understand a procedure is established that amendment No. 3470 will come up for a vote later in the afternoon before we have final passage on the measure before the Senate. I rise to speak for the allotted 15 minutes as arranged under a previous consent agreement.

Mr. President, I rise to offer an amendment that I hope will be voted on favorably. I suggest it would help the underlying bill. I will certainly support the work that Senator GRASSLEY and Senator BAUCUS on our side have done to bring this important bill to the floor. I have been supportive of the overarching concept and many of the details of the bill.

I am proud to say our entire Louisiana delegation—both Senators, Senator BREAUX and myself, as well as all seven Members of our House delegation—have been very pro trade, and for good reasons: Not only because we think it is important for our Nation but for our own State of Louisiana that has positioned itself historically as a great trading hub.

Although there are some disadvantages in the short term, and there are some jobs and industries that may be temporarily negatively affected, the long-term trends for the State of Louisiana and, frankly, for this Nation are very positive.

I thank Senator GRASSLEY and Senator BAUCUS. I support their efforts to streamline some of our trade policies, recognizing there are legitimate concerns about environmental and labor issues. The underlying bill has addressed, if not perfectly—has attempted to address in good spirit and in good, strong rules and regulations—those efforts. This could be a continuing work in progress. We in Louisiana feel very strongly about that.

The amendment is not an attempt to undermine or scuttle this grand compromise and great package. It is an attempt to perfect and modify it for a group of workers who have been hard hit by something that is not in line with this free trade bill; that is, when the President just a few months ago issued a 201 ruling to put tariffs on raw steel that comes into the United States—which I vigorously objected to; so did the senior Senator from Louisiana and many Senators—and what has happened since that administrative decision to put this tariff in, in hopes of helping other areas of the Nation and other Senators and their States that produce this steel, States such as West Virginia, Kentucky, and Maryland.

I can understand these efforts to try to build consensus. The bottom line is it has hurt our maritime industry. I will give you some facts and figures. My amendment seeks to simply expand the trade adjustment assistance for not only workers who might lose their jobs because they have either moved overseas or have lost their jobs because of a flood of imports, but also this small group of maritime workers, about 38,000, for a limited period of time who were losing their jobs because of the lack of imports coming in because of this 20- to 30-percent tariff.

Again, I disagreed with the President's decision. I continue to disagree with that decision. My amendment does not seek to overturn it. I am just trying to help workers who are directly affected by that decision in an effort to make the whole situation a bit more perfect for the workers from the steel-producing States we are trying to help, as well as to try to give some necessary and urgent relief to maritime workers who find themselves on the other side of that decision because they are losing their jobs because steel is not coming in to the port of New Orleans.

We have lost tons and tons, in just a couple of months, of steel coils, steel plates and sheets, steel bars, tin plates, and stainless steel bars that are coming into the ports of Louisiana, primarily the ports of New Orleans.

We are not the only port that has been hurt very badly. The Port of Houston, the ports of the Great Lakes—we have ports all over the Nation, so 38,000 maritime workers literally are having to pick up an unemployment check instead of a paycheck because of the decision that was made.

I tried to stop the decision but it was an administrative decision. My amendment does not seek to overturn it. My amendment only says, since it has been a consensus of the administration and Congress to help the steelworkers and special parts of our Nation, let's also, by this small amendment—that only costs $10 million and it sunsets after 4-plus years—help the maritime workers.

Under the current bill, they are not entitled to benefits because they are not being affected by a flood of imports. Their jobs are not necessarily being moved overseas. They just do not have the steel to bring on to the wharves because of this tariff.

It does not cost us very much money in the scheme of things, but it will help thousands of workers in Louisiana, and many thousands of workers temporarily, until this situation can get worked out.

That is the essence of my amendment. It is about 8,000 jobs that are at risk in New Orleans, a major port in our Nation. It is about 7,500 jobs in the Port of Houston, the President's home State. It is about 5,000 jobs, approximately, in California, in the Los Angeles Port; in Pennsylvania, New Jersey, and Delaware—Mr. President, your own State—combined, about 4,400 jobs that could be at risk; in the Great Lakes and Upper Mississippi, about 2,000 jobs. It is estimated for smaller ports around the Nation, it is about 10,000 jobs.

Why? Because steel is one of the major imports, until this tariff was placed 2 months ago, that was coming into our Nation. While it caused great heartburn in the steel-producing areas of our State, it was actually very good business for our ports.

Suffice it to say we cannot go back and overturn everything, but we certainly can vote today to help maritime workers directly affected by this decision. Again, it only costs us $10 million. It sunsets in 4-plus years. It is a minor help that we can give to people who show up at the docks every morning and stay late almost every day. They have children to send to college. They have mortgages on their houses. They have other bills and responsibilities, maybe an elderly person who is at home. These are hard-working Americans and because of action taken in Washington they have to now pick up an unemployment check instead of a paycheck.

These are not welfare recipients; these are people who have worked 10, 15, 25, 30 years at what I would consider—as would most everybody—hard labor.

The Presiding Officer is familiar with this picture because he comes from a port State. This is a New Orleans dock but it could be anyplace in America where you have stevedors and longshoremen loading and unloading ships. This is one of the great benefits of trade because these, in many cases, are unionized jobs, very high-paying jobs with a lot of protection for these workers. This is dangerous business. This goes on in America every day.

There are thousands and thousands of these workers. What you will not see in this picture is a welfare recipient. What you see is a worker, many years working on the docks. Because of this tariff and the bill we are discussing, a lot of these guys cannot pick up a paycheck—or women are now working on the docks. My amendment seeks to give them some small relief—not upset the bill, not turn the compromise on its head, but to give us some relief.

I hope when we have an opportunity to vote later this afternoon we will get a good, bipartisan vote on this small amendment that will help bring us some relief.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has just under 5 minutes.

Ms. LANDRIEU. If I could, I would like to speak for a minute about another problem that has arisen because of this 30-percent tariff on steel that is not related to my amendment. While I have a minute, I wish to speak about our fabrication industry.

Senators are now very familiar with me coming to the floor to try to explain the importance of the oil and gas industry to our Nation. We talked a lot about this in our energy debate, but I need to make this point today on this trade bill.

This tariff is very hurtful to the maritime workers who I am trying to help in a very modest, but meaningful way so they can qualify and get their TAA benefits under this trade bill. I also want to bring to the attention of this body—not that I have a solution for it because I cannot figure out an amendment that would actually help this; if I could I would offer it—what a great harm this tariff has also brought to a great industry in south Louisiana; that is, in the manufacturing business, using a lot of steel to help build our boats and platforms and equipment that help us get oil and gas safely out of the ground in the gulf and bring it to the shore to try to help light up this beautiful Chamber and everybody in New York and California and Illinois and in Louisiana—the whole country.

We have a very vibrant fabrication industry, as you can imagine, with industries such as McDermott Industries and Gulf Island Fabricators. These are large fabricators. I am here to say, after contacting many of them over the last several months, that some of them will absolutely go out of business and we are then going to lose hundreds of jobs, if not thousands, in south Louisiana, for the simple reason that because of the cheaper steel that they were importing from other places in the world, bringing it to Louisiana through the mighty Gulf of Mexico or other large bodies of water to south Louisiana to build these great platforms, we cannot now compete against the same sort of manufacturing in places all over the world.

Our delegation that is voting for trade—and we are happy to vote for the trade bill—has been caught in crosswinds, you might say, because of an administrative decision about trade. As a result, we are losing not only jobs in our maritime industry, which this trade bill should be helping to protect, but also we are getting hurt because of our lack of ability now to compete with other manufacturers in other parts of the Nation to get our oil and gas out of the ground.

Now we are in a situation of having fabrication done offshore to float these tremendous platforms and rigs into the gulf. Our workers do not get the benefit of these jobs. Our oil and gas is taken out of our ground, right off of our shore, and 100 percent of the proceeds of the taxes paid come to the Federal Government. So Louisianians don't get the taxes from the royalties, we don't get the jobs making the platforms, we get beat up constantly because we are producing oil and gas, and my maritime workers have to pick up an unemployment check instead of a paycheck.

If I sound as if I am complaining a little bit, I mean to try to lay out this problem. Again, I thank Senator GRASSLEY and Senator BAUCUS. I support the trade bill, but I ask them for their assistance in helping a few thousand maritime workers who are not being hard hit by the trade bill they are recommending, which I support, but they are being hard hit because of an administration decision that is keeping imports down, therefore putting maritime workers out of business.

When I can meet with Senator BREAUX and get a solution for our fabricators, I will most certainly be bringing up that amendment, though not to this bill. But I will get as much relief as I can for good industries, good companies that have produced good jobs, industries that are going to be hurt, and I will ask the President as well as the leadership in the House and the Senate, both Democrats and Republicans, to come up with some potential solution—cost effective for the taxpayer—to our problem in Louisiana.

People in Louisiana deserve a fair share and an opportunity to work hard.

I yield any remaining time.

AMENDMENT NO. 3461

The PRESIDING OFFICER. Under the previous order, the Senator from New Jersey is recognized.

Mr. CORZINE. I thank the Chair.

Madam President, I rise to discuss amendment No. 3461 which was offered on my behalf, and on behalf of Senator DODD, Senator STABENOW, and others by Senator REID on Monday and set aside. It is my expectation this amendment will be voted on at the expiration of the 30 hours, as required by cloture. But I wanted to make sure I had an opportunity to discuss the merits of this and the importance of this, which I consider quite significant.

I offer this amendment to protect the role of Congress and elected State and local officials in determining the nature and scope of significant public services. It is one thing for Congress to sacrifice its own prerogatives in the development of trade policy, as we will likely do today with the passage of trade promotion authority; however, in my view, it goes much too far to delegate constitutional responsibilities of elected officials when it comes to determining what are public services and what significant public services should be managed in the public sector.

My amendment stands for the simple proposition that trade agreements should not be used to privatize public services—public services duly directed by constitutionally authorized actors of our Nation's democratic processes. Specifically, the amendment would establish as a principal negotiating objective that trade agreements should not include a commitment by the United States to privatize significant public services such as national security, Social Security, public health and safety, and education.

It is very simple. Before I discuss the details of my amendment, let me say that I agree with the objectives of the sponsors of the underlying bill that we should seek ways to expand trade in services. I know firsthand that this objective can create jobs and economic benefit. In fact, I spent the better part of 30 years of my life building an international service business in banking and understand the need for barriers to be broken down. There are many that limit the expansion of American enterprise abroad.

It is also true that the American service sector is and will continue to be a vital part of our economy. It is one that is growing substantially. It is a substantial part of our international activity.

In my view, we need to aggressively foster and promote that growth. It promises long-term benefits for all Americans.

That means we should be looking for ways to open accounts. I commend those efforts as a part of this bill.

Having said that, while there are many potential benefits to forging trade agreements designed to increase trade and services, there are also risks. That is what my amendment is about.

One of the risks is that those agreements will be misused, either directly or through unintended implementation requirements.

My amendment is designed to reduce that risk so that trade agreements will do what they are supposed to do and won't be used in a particular way: the risk that they will commit the United States to privatizing key public services outside of legally constituted constitutional processes.

Some of my colleagues may well be unaware that such a risk exists. After all, trade agreements are supposed to be about promoting economic activity. They weren't conceived to overrule democratic processes and decisions about the provision of essential public services—things such as protecting our airports and airline security, things that we have chosen in the democratic process to move forward in the public arena.

Yet trade agreements can do just that. There is ample reason to be concerned that privatization of significant public services could well be on the table in future negotiations.

In fact, right now negotiations are already underway in the process of establishing new agreements with respect to trade and services. Those negotiations may well lead to agreements under which services traditionally administered by Federal, State, and local governments would be on the chopping block.

Under such agreements, foreign investors might be able to challenge public policies that provide certain services through government entities. Such foreign interests could argue that these policies discriminate against them and represent an unlawful trade barrier. In fact, some international agreements are already being interpreted that way, and others are being designed for that purpose.

Consider what is happening in bilateral negotiations between the United States and Chile.

In 1981, Chile decided to privatize its public pension system; that is, its equivalent of Social Security. Under the privatized system, Chilean workers are now required to invest their pension dollars with private financial institutions. Unfortunately, Chile's experience with the privatization of Social Security has, in many respects, proved problematic. Many Chilean workers have seen the value of their investments collapse. And many Chilean political leaders now believe the only way to protect the retirement security of Chilean families is to return to the earlier public system based on guaranteed benefits—more like we have in the United States.

U.S. negotiators are encouraging Chile to keep their system privatized. As a result, the financial security of Chilean retirees and their national retirement policy may depend on international trade negotiations rather than the political democratic processes reflecting the wishes of the Chilean people.

Think about that for a moment and consider how Americans would feel if trade negotiations ended up deciding the fate of Social Security in America. Imagine trade negotiators setting that investment policy for the Social Security Administration. What if foreign interests were demanding that the United States open up our Social Security system to foreign financial firms or mandate privatization outside the democratic process? Imagine that Chilean, Russian, or German negotiators argued that it was a restraint of trade for Social Security to limit its investments to U.S Government securities rather than opening up the system to privatized accounts.

I speak as one who strongly opposes that move with the American system privatizing Social Security. It would lead to a deep cut in guaranteed benefits and reduce the financial security of American seniors. But I think the most important issue as it relates to this debate, regardless of your views on privatization, is that Americans would be outraged if that were accomplished through trade negotiations as opposed to a debate on the floor of the Senate and the House of Representatives and a discussion with the American people.

The future of Social Security is too important to be decided by anyone other than the American people.

Social Security is not the only area of public service provision that concerns me. Let's take a look at another example a little less dramatic.

The European Union has now proposed that the United States make new commitments under the General Agreement on Trade in Services to allow foreign firms to gain greater access to the U.S. water services market.

Many municipalities across the United States have long felt that the provision of water services is an important governmental responsibility.

Some of the localities in New Jersey that I represent have chosen to have it administered by private companies. Others have chosen to retain the nature of a public provision of water services.

The point is that the people have spoken. Should municipalities privatize their water supplies? I am not sure. I am certainly not convinced that one answer is appropriate for all situations. But one thing I am sure about is that these decisions should be made by local elected officials who understand local circumstances and local values, and who are accountable to the local taxpayers and local voters. These decisions to privatize should not be dictated by unelected, distant trade bureaucrats.

Let me give another example. This involves a company that has been in the news lately, a company named Enron.

The Government of Argentina contracted with a division of Enron to provide water and sewer services in Buenos Aires. Enron did not do such a good job, to put it mildly. For a while, the water provided was contaminated by toxic bacteria. As a result, some 500,000 people were told not to drink the water for well over a month.

In the end, the Argentinian Government canceled its contract with Enron. Now Enron is suing, under trade agreements, that there is a basis for a $550 million settlement for them against the Argentinian people because they did a bad job.

I am telling my colleagues, this is an important issue. The provision of public services is a decision which our democratic processes should be deciding. This matter should be decided by democratically elected governments, not unelected trade bureaucrats.

There is a long list of public services that could well be privatized and put up for bid by foreign companies. These include everything from health services for veterans, to State colleges and universities, to immigration control, to afterschool programs, to police officers. All of these could be threatened by a trade agreement, and a lot of people are worried about that.

That is why I want this amendment to be seriously considered by my colleagues on the Senate floor, really to establish a trade objective.

Madam President, I ask, how much time is remaining?

The PRESIDING OFFICER. The Senator has 4½ minutes.

Mr. CORZINE. I thank the Chair.

The American Public Health Association is concerned about the privatization of some parts of the Medicare Program and medical services for the poor. The American Council on Education and the Council for Higher Education Accreditation have voiced deep concerns about the GATT negotiations. As they said in a statement, higher education is supposed to serve the public interest and should not be a commodity.

Yet the threat posed to education by privatization through trade agreements is very real. Under some prospective trade rules, States could be barred from subsidizing State universities, using the argument that such subsidies put private universities at a competitive disadvantage. I do not think that is what the American people want trade negotiations to accomplish. They do not want unelected trade bureaucrats setting our policy with regard to public services.

Let me return to the explanation of the amendment. The amendment is very simple and states:

> A principal negotiating objective of the United States is to ensure that trade agreements do not [do not] include a commitment by the United States to privatize significant public services, including services related to (i) national security; (ii) Social Security; (iii) public health and safety; and (iv) education.

It then defines the term ''privatize'' to mean:

> . . . the transfer of responsibility for, or administration of, a government function from a government entity to a private entity.

And that is it. That is the entire amendment.

As it should be clear from its language, the premise of the amendment is that there are some types of public services that are so important that decisions about them should be made democratically and should not be delegated to an international body. Our amendment highlights, in particular, those four areas. There may well be others.

There may be some who would argue we ought to privatize some parts of our national security system, such as those who objected when Congress recently federalized our airport security system. I disagree. But, again, we ought to have that argument here on the floor of the Senate—democratically chosen processes, constitutionally established.

You could say that about many other types of issues.

Trade negotiators should not privatize and preempt the decisionmaking of Congress and the President. This amendment is less about privatization than it is about democracy. It is one thing to enter into international agreements, promote private investment, even if that means limiting our congressional prerogatives, but it is an entirely different matter to tie our own hands in deciding upon important public services, which go to the heart of what government is about in the first place.

I appreciate this opportunity to speak on this important, relevant, and germane amendment. In my mind, this bill already delegates too much congressional responsibility and authority. I hope my colleagues will support this amendment and protect our right to make a democratic choice about what the public services are that are privatized and that as we move forward we make those decisions through the debate process and discussion with the American people, not through trade negotiations, not through bureaucrats, who are unelected officials.

So that is what the amendment is about. I believe strongly that this is an amendment my colleagues should support, and I hope they will.

I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Madam President, Senator HARKIN has agreed to yield 5 minutes to me. I know Senator DORGAN is next on the list. He has agreed to let me come in at this point.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Madam President, I believe, by unanimous consent, I was to have been recognized following the presentation by Senator CORZINE. If that is the case—I believe it is the case.

The PRESIDING OFFICER. The Senator is correct.

Mr. DORGAN. I will be happy to yield 5 minutes to the Senator from Pennsylvania, provided I am recognized following his presentation.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. SPECTER are printed in today's RECORD under ''Morning Business.'')

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Madam President, it is quite clear to me from the cloture vote yesterday that the Senate is going to pass trade promotion authority.

I think it is a shame that we have not had a more thoughtful debate on this issue. So I would like to take this opportunity to describe why this issue is and will continue to be controversial.

Trade promotion authority is a euphemism for fast track. Fast track is just what the name implies—a process that involves a rush to judgment. It's like fast food, implying a lack of preparation, a quick and easy meal that in the end turns out to be bad for you. Fast track trade authority allows the Administration to go negotiate a trade agreement, and bring it back to the Senate without the ability of any Member to offer a single amendment.

Article I, section 8 of the Constitution states that the Congress shall have the power to regulate commerce with foreign nations. That is what was written in Philadelphia one hot summer with George Washington sitting in the presiding chair, Ben Franklin over to his left, and Mason, and Madison. They decided Congress shall have the power to regulate commerce with foreign nations—not the trade ambassador, not the President, but the Congress.

The Congress has decided in recent years that to delegate this constitutional responsibility to trade negotiators. These negotiators go to places like Doha, Qatar, and negotiate agreements in secret. They bring these agreements back to Congress, and say: Here is the agreement. Take it or leave it in total; no amendments because you are not allowed to offer any. That is what fast track is all about.

If you want a good example of why fast track is a bad deal, you can look to our experience with the U.S.-Canada Free Trade Agreement. Our trade negotiators went to Canada armed with fast track. They negotiated a trade agreement with Canada, and developed a secret side agreement which they disclosed only 2 years later to the Congress. That side agreement effectively traded away the interests of America's family farmers. Our farmers have been hurt badly as a result of it. We couldn't do a thing about it because when that agreement came back to the Congress, no one was able to offer one single amendment.

I voted against the U.S.-Canada Free Trade Agreement. Had I been able to offer an amendment, I might have been able to fix it. The family farmers who have been victimized by this agreement might not have been hurt nearly as badly. But no amendments were in order. No one in Congress could offer any amendment at any time. That is what fast track is about.

Since we are debating trade and our trade policy, I want to use a chart to show what has happened in trade. My colleagues stood up yesterday and said: You need to understand how important this is to America. You need to understand all the new jobs we are creating with these trade agreements. Well, count me in as somebody who supports trade. I am big for trade. Expanded trade is terrific. The more the better but only as long as it is fair. If it is not fair, our country should have the backbone to stand up and say, no, the trade we demand and expect is reciprocal trade, fair trade.

Fast track trade agreements have created runaway trade deficits. Here is what happens on the trade deficits. From 1991 to 2000, our trade deficit has gone from $65 billion to $436 billion. Our country suffered a recession in 2001, so the deficit declined just a bit last year, but the trend is clear.

The fact is, this is by far the highest trade deficit in human history. Every single day, 7 days a week, our country buys more than $1 billion in goods from abroad in excess of what we are able to sell abroad—over $1 billion a day every single day, racked up as a deficit.

I ask those who support this fast track free trade strategy, do you think this works? Where did you pick up your economics? Was there some textbook I missed along the way that makes you think that this trend is a favorable one? I don't think so. This is not working. This is a failure. This is a massive failure. Our trade strategy is drowning America in red ink. Yet we have Senators coming to the floor saying: Give us more of this.

Where is this red ink coming from? Prior to negotiating an agreement with Mexico, we had a small trade surplus with Mexico. We have turned that now into a huge deficit. Prior to negotiating a trade agreement with Canada, we had a modest deficit. Now we have turned that into a very large deficit. We have a very large and growing trade deficit with China, $70 billion a year plus—and a very large, abiding, growing trade deficit with Japan.

What does all that mean in terms of real people? We have Senators who come here and argue theory. They are out of touch with working people. When you work in the Congress, you take a shower in the morning and then put on a dark suit. What we are doing in trade policy is dealing with the jobs of the people who work hard all day and then have to shower at the end of the workday. It is their jobs that are sent elsewhere as a result of this legislation.

I gave a speech in the Senate some years ago. I told the stories of some real folks who have been affected by unfair trade. The other day we had a press conference on the steps of the Senate, with working men and women that continue to lose their jobs. The stories don't change.

The Levi corporation decided they can't make Levis in the United States anymore. It is cheaper to make Levis in countries where you can pay people 50 cents an hour. Or Fruit of the Loom, making shorts, men's shorts, they just ship those to a plant where they can pay somebody 40 cents an hour.

It is one thing to lose your shirt, another to lose your shorts. OK, it's a bad joke, and this is no laughing matter. Not when you have companies decide to move their plants to where they can pay people 40 cents an hour or, better yet, pay them 24 cents an hour. You know we have products on our store shelves made by 12-year-old kids who worked 12 hours a day and were paid 12 cents an hour. We all know that.

We have fought for over a century for the right of workers to organize, the right to work in a safe workplace, the right to say that it is wrong to put children who are 10 and 12 years old down in coal mines or in industrial plants, the right to a reasonable minimum wage. Those who support fast track ultimately are allowing corporations to pole vault over all of that, and to move jobs overseas where they don't have to be bothered with decent wages and working conditions. This is ultimately just about corporate profits.

We have 8.6 million people today who are looking for work. If you are one of those people, your personal unemployment number is 100 percent. You, at some point, had to come home and tell your wife and your children: I am sorry, I lost my job and I don't know what I am going to do next.

The Economic Policy Institute has calculated that, as a result of the most recent trade agreements—Canada, NAFTA, and the WTO—roughly 3 million jobs have been lost in this country. So when you have 8.6 million people out of work, and 3 million of them have been displaced by trade, should we be diving headfirst into new trade agreements?

When NAFTA was negotiated, we were told that Mexico would specialize in low-wage and low-skilled jobs, and that those products would benefit U.S. consumers. That may have happened to some extent, but we have lost a lot of good jobs for working people in this country. The three largest imports into this country from Mexico are automobiles, automobile parts, and electronics. They are all jobs of high-skilled workers with high-skill wages that were displaced in this country.

Borg Warner had a transmission plant employing 800 people in Muncie, IN. The jobs paid $17 an hour. Good jobs. Those jobs don't exist there anymore. They are in Mexico. Atlas Crankshaft, owned by Cummings Engine, literally put its manufacturing plant on trucks and moved it from Ohio to Mexico. So those 200 jobs have gone south, looking for lower wages. The Abbott Cooperation, which manufactures wires harnesses for Whirlpool Appliances, and their 117 jobs, were sent to Mexico. A metals plant in Warren, MI, closed down. They put their equipment on trucks and moved to Mexico—26 jobs gone south.

Some say: You know, Senator DORGAN, that is life. That is the way the new economy is. That is the way this world works. It is a new global economy and you don't understand it. You are one of these xenophobic isolationists who can't see over the horizon and cannot understand the new economic day.

Well, I am certainly not suggesting that we retract on the global economy. That is a fact of life; it is here and now. The question for this Congress is, What are the rules? The rules have not kept pace with globalization. As these plants close and move jobs to Mexico, or Indonesia, or Sri Lanka, or other countries around the world, shouldn't Congress begin debating what the rules are of free trade and globalization? Because the rules have not kept pace with the times.

Those who want to take advantage of having no rules are those who want to make profits by deciding they want to trade American jobs, and all the restrictions that come with it, for jobs elsewhere for pennies an hour, where they don't have to worry about polluting the water and air, and they can do it with impunity. They can hire as many kids as they want. They don't have to worry about a safe workplace because there are no rules and regulations on any of that.

The global economy has moved forward without sufficient rules. This Senate, instead of debating fast track, ought to be debating the rules of globalization. We are not allowed to do that. Do you know why? Those making big profits out of the existing system don't want us to do that. That is the last thing they want us to talk about.

It would be nice if the proponents of fast track would take the time to talk to a few of the many people whose jobs were determined to be relatively unimportant in the scheme of international trade. I am not talking about people who make buggy whips—a product for which we have no additional need. I am talking about people who made decent wages working real jobs in factories that produce good products.

When the rules are not fair, it is up to the Senate to stand up for American workers. They will not do it and amendment after amendment on this so called fast-track bill has gone down. Why is that? Because this was like a big truck with a tarp over it, buttoned up long ago and driving through this Chamber, like the trucks that will come in after June 30 from Mexico.

Incidentally, as a result of NAFTA and some flawed analysis, this Administration is set on June 30 to allow Mexican trucks to enter our country for long hauls. Everyone here knows there isn't a ghost of a chance that this is going to be safe for American drivers. Inspection sites don't exist. The standards for Mexican long-haul trucks are not enforced. I ask you to look at investigative reports on it and ask yourself: Do you want your family driving next to a long-haul truck that has been driven for 24 hours by somebody who doesn't have a logbook and hasn't had an adequate safety inspection? I guarantee that will happen here after June 30 of this year. Why? Because we are not able to debate these issues under fast track.

The Senate is once again saying to our trade ambassador to go negotiate trade agreements in secret, and to forget about what the Senate might think. Our current trade ambassador, Bob Zoellick, is a man I personally like, bright as a whip. We disagree on some things and agree on some other things. But it is just plain wrong for the Senate to give this kind of authority away, and to abrogate its responsibility. And I hate to think of the likely consequences.

Mr. Zoellick said this on November 26, 2001:

> In Doha, Qatar, antidumping laws in the U.S. could be discussed as a new trade round gets underway.

In effect, our trade ambassador has put our antidumping laws on the table to be traded away. We have already lost section 22, and section 301 has been weakened, and now the trade ambassador is talking about giving away the laws that prohibit dumping in our marketplace and injuring our producers and workers. If we trade away our antidumping laws away, there will be no protection against unfair trade. None.

When on Earth will this Congress learn? Have we not had enough experience with this nonsense? How high do our trade deficits have to go? If it doubles again, maybe then they will think there is a problem?

We can make the case that a fiscal policy deficit is money we owe to ourselves. We cannot make that case with the trade deficit. This is money we owe to other countries. We will repay this someday with a lower standard of living in this country. That is inevitable.

Our negotiators just keep handing us these bad trade agreements, and our trade deficits keep skyrocketing. Will Rogers once said that the United States of America has never lost a war and never won a conference. He surely must have been speaking of our trade negotiators because with United States-Canada, with NAFTA, with WTO, with GATT, our trade negotiators have taken 15 minutes and have wilted and folded under the onslaught of pressure from both corporations and other countries, and we end up with rules of trade that are fundamentally unfair to our workers, our farmers, and our businesses.

There is no debate about that in this Chamber. There is a relentless chant of the type you find on street corners about free trade, free trade, fast track, new jobs, when all the evidence tells us that we have had a disastrous experience with trade. We have paved the road by which U.S. companies can seek a lower wage almost anywhere in the world.

Did any of my colleagues see the story the other day in the Washington Post about the young woman who was working in a toy factory and died from sheer exhaustion? She had been working 16-hour days for two months without a day off.

I have been in a number of countries with abysmal working conditions. We know there are a couple hundred million kids who are being employed around the world. Some are locked in garages, in basements.

I held a hearing in Congress about child labor, and heard testimony about young kids in India making carpets. They had had their fingertips laced with gunpowder and set on fire so the burns would scar. Then when these young children in these large plants would stick themselves with needles while making carpets, it would not hurt, and they could keep on working. Do we want those products on the store shelves of Pittsburgh or Fargo or Los Angeles or Dallas? Is that free trade? Is that fair trade? Does anybody here care about that?

Do my colleagues know how many people we have in the Department of Commerce working on enforcement of trade laws so we make sure these trade laws are fair? China, a country that has somewhere around a $70 billion trade surplus with us, because they send us all their trinkets, trousers, shirts, and shoes, and we take them all. Madam President, do you know how many people are enforcing trade agreements with China? Fewer than 10. Fewer than 10 people. The same is true with Japan, with which we have a huge trade deficit.

It is probably not unnoticed that I have a great deal of angst about the way these issues generally are handled. We do not have a thoughtful debate; we have a thoughtless debate. This is chanting about irrelevancies instead of talking about what makes this country strong.

The economic engine in this country, in my judgment, is an economic engine that begins with working people and also businesses willing to invest their money to ask for a fair shake in international competition. We create these trade agreements with other countries that result in huge trade deficits, and we have Senators come to the Chamber and talk about how many new jobs they have created. It is total nonsense. They ought to be talking about the 3 million jobs they have lost, and then talk about a few of the names of the people who have lost their jobs.

I guarantee there is not one Member of the Senate who is going to lose his job because of a bad trade agreement. There are going to be a lot of folks out there raising a family and trying very hard to make a good living who will be told: No, your job does not exist in Akron, OH, anymore. Your job is now going to Sri Lanka, and we are sorry, that is life, that is the global economy.

It is inevitable now this President will be given fast-track authority. I did not believe we ought to give fast-track authority to President Clinton, and I do not believe we ought to give it to this President.

What I say about fast track is this: Take 1, 2, 10, or 20 of the trade problems we already have from existing trade agreements. Try to fix those. Then come back and let's talk about new agreements.

I will not vote for this fast track bill. I suspect many Members of the Senate will. They will button their coats tighter, stand up proudly and say how wonderful it is for this country, and not one of them will have his job moved to Sri Lanka, Mexico, or anywhere else. I guarantee working people who lose their jobs because of this will find precious little comfort by having trade adjustment assistance as part of it. Yes, I support that part of the trade package. But it is not a good substitute for good trade law, and everybody in this Chamber knows it.

Madam President, I would like to take a couple more hours, but I need to step aside. We have other business to do. I hope at some point we will have a real debate on trade in the Senate. It is certainly not the leader's fault we have not had a real debate. The problem is the lack of substance of the underlying bill. We cannot have a debate about substance.

I invite other Senators to spend a few hours talking about the reality of international trade. If anybody wants to do that with me, I will join him and talk about real numbers and the truth on trade.

Mr. NICKLES. Madam President, will the Senator yield?

Mr. DORGAN. I will be happy to yield.

Mr. NICKLES. I have a brief question. I know my friend from Nevada wants to make a UC request. Getting the tenor of the Senator's debate—interesting debate—he is critical of the NAFTA agreement, one of the three free trade agreements passed by the Senate, two of which passed almost unanimously—the Jordanian trade agreement and the free trade agreement with Israel. NAFTA was not quite as unanimous. But did the Senator vote in favor of those three free trade agreements?

Mr. DORGAN. No, I did not vote in favor of NAFTA, I did not vote in favor of the U.S.-Canada agreement, and I did not vote in favor of GATT.

Mr. NICKLES. Did the Senator vote in favor of the Israel or Jordan free trade agreements?

Mr. DORGAN. I did. And it is ironic that the Senator who makes the point about the Jordan agreement voted to keep the Jordan agreement labor standards out of this fast-track legislation.

I voted for the bilateral trade agreements that the Senator From Oklahoma mentioned, but I did not vote for NAFTA, I did not vote for United States-Canada Agreement, and I did not vote for GATT. Those agreements have led to huge deficits. These numbers do not represent success, not in North Dakota and not in Oklahoma. These growing massive deficits are choking our country. I would love it if the Senator from Oklahoma will join me sometime in a debate on trade on the floor of the Senate.

It is hard to get people to agree to do that, but if the Senator from Oklahoma would, I would love to have the opportunity.

Mr. NICKLES. I thank my friend.

Mr. DORGAN. I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. The Senator from Oklahoma, Mr. NICKLES, is going to speak. First, I ask unanimous consent that following the previously ordered sequence of speakers, Senator SARBANES be recognized to speak for up to 15 minutes, and Senator KENNEDY be recognized for up to 30 minutes, with the previous provision regarding Republican speakers remaining in effect.

The PRESIDING OFFICER. Is there objection?

Mr. NICKLES. Did the Senator say Senator SARBANES and then Senator KENNEDY?

Mr. REID. Yes, but a Republican can come in between if they care to.

Mr. NICKLES. I believe Senator KENNEDY may be speaking on a different nontrade issue.

Mr. REID. If there is an objection, the rights of the Republicans are preserved.

Mr. NICKLES. I would like to reserve some time for a Republican to be able to follow Senator KENNEDY.

Mr. REID. The Senator has that right.

Mr. NICKLES. Will the Senator modify his request?

Mr. REID. Yes, I will do that in the next one.

Mr. NICKLES. Well, if Senator KENNEDY is going to be speaking on minimum wage, I would like for a Republican, likewise, to have an opportunity to speak on that.

Mr. REID. If that is the desire of the Senator, we have no problem with that. Following Senator KENNEDY, that would be fine.

Mr. NICKLES. For 15 minutes?

Mr. REID. Fine.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

UNANIMOUS CONSENT REQUEST—CONFERENCE REPORT TO ACCOMPANY H.R. 3448

Mr. REID. Madam President, I ask unanimous consent that following the statement of Senator KENNEDY and/or the Republican who would follow him for 15 minutes, the Senate proceed to the consideration of the conference report to accompany H.R. 3448, the Public Health Security and Bioterrorism Response Act, notwithstanding rule XXII, and that it be considered under the following limitations: That there be 90 minutes for debate on the conference report, with the time equally divided and controlled between the chairman and ranking member of the HELP Committee, or their designees; that upon the use or yielding back of time, the Senate proceed to a vote on the adoption of the conference report, without further intervening action or debate, provided further that all time utilized under this consent be charged postcloture.

The PRESIDING OFFICER. Is there objection?

Mr. NICKLES. Reserving the right to object—and we may have clearance, but we need to finalize it—I am delighted with this request. I am delighted it looks like we are now going to be able to pass the Public Health Safety and Bioterrorism Response Act. My guess is it will pass overwhelmingly, maybe unanimously, through the Senate.

Could the Senator withhold the request for a moment and let me doublecheck with other Senators? I will be happy to put through the question.

Mr. REID. I will be happy to withhold.

The PRESIDING OFFICER. The Senator from Oklahoma.

ANDEAN TRADE PREFERENCE EXPANSION ACT—Continued

AMENDMENT NO. 3447

Mr. NICKLES. Madam President, I thank my friend and colleague from Nevada.

We are considering a lot of amendments. I know the chairman of the Finance Committee has been working through amendments. We have been working through amendments as well, and we are going to get into a situation where we have a lot of votes. For the information of our colleagues and particularly our colleague and friend from West Virginia, Senator BYRD, who has three or four amendments, one of which is second degreed by our friend and colleague from South Carolina, Senator HOLLINGS.

Senator BYRD's amendment in the first degree deals with a congressional oversight group that changes in composition.

Right now, the oversight for trade is in the Finance Committee. I happen to serve on the Finance Committee, so I was interested in the composition of the congressional oversight group. It talks about the oversight from the House. I notice in the House group, it consists of the majority leader and minority leader, and eight additional members would be appointed by the Speaker of the House, four each from the minority and majority. It also says none of the eight members appointed under this paragraph will be members of the Committee on Ways and Means.

Then it says the membership in the Senate congressional oversight group shall be comprised of the following Members of the Senate: President pro tempore of the Senate, Senator BYRD; minority leader and majority leader; eight additional Members appointed by the President pro tempore of the Senate, four members from the majority after consulting with the majority leader, and four members from the minority party after consulting with the minority leader of the Senate.

Then it also says that none of the eight members appointed under this paragraph may be members of the Committee on Finance.

I am a member of the Finance Committee, and I do not want to have that jurisdiction taken away from the Finance Committee. So I am going to oppose this amendment. At some point, I am going to move to table the amendment. I would not want to table the amendment of the Senator from West Virginia without notifying him and giving him a chance to debate. Maybe he has debated it and I missed that debate, but I was not aware until a few moments ago of the impact of this new oversight committee, which would exclude members of the Finance Committee, which has jurisdiction over trade.

I would think Democrats and Republicans who serve on the Finance Committee would not like to find out that an area over which they have jurisdiction and over which they have some responsibility, on which they have had hearings, would be excluded from this oversight committee.

That is my purpose of speaking now. It is not for total debate but to let my colleague from West Virginia know that at some point, not immediately—as a matter of fact, it will be after the 2:30 briefing by the FBI Director—a motion will be made to table the underlying Byrd amendment dealing with the oversight group. I wanted my colleague to be aware of that.